

SERFF Tracking Number: QUAC-127273808 State: Arkansas
Filing Company: QualChoice Life and Health Insurance Company, State Tracking Number: 49085
Inc.
Company Tracking Number:
TOI: L04G Group Life - Term Sub-TOI: L04G.500 Other
Product Name: QualChoice Life and Health Group Life Insurance
Project Name/Number: /

Filing at a Glance

Company: QualChoice Life and Health Insurance Company, Inc.

Product Name: QualChoice Life and Health SERFF Tr Num: QUAC-127273808 State: Arkansas

Group Life Insurance

TOI: L04G Group Life - Term

SERFF Status: Closed-Approved- State Tr Num: 49085
Closed

Sub-TOI: L04G.500 Other

Co Tr Num: State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Authors: Jim Couch, Niki Thomas Disposition Date: 08/02/2011

Date Submitted: 06/20/2011 Disposition Status: Approved-
Closed

Implementation Date Requested: 07/01/2011

Implementation Date:

State Filing Description:

General Information

Project Name:

Status of Filing in Domicile:

Project Number:

Date Approved in Domicile:

Requested Filing Mode:

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Group

Submission Type: New Submission

Group Market Size: Small and Large

Group Market Type: Employer

Overall Rate Impact:

Filing Status Changed: 08/02/2011

State Status Changed: 06/23/2011

Deemer Date:

Created By: Niki Thomas

Submitted By: Niki Thomas

Corresponding Filing Tracking Number:

Filing Description:

QualChoice Life and Health Insurance Company's Group Life Insurance Policies.

Company and Contact

Filing Contact Information

Jim Couch, VP of Compliance

jim.couch@qualchoice.com

12615 Chenal Parkway, Suite 300

501-228-7111 [Phone] 5118 [Ext]

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Product Name: QualChoice Life and Health Group Life Insurance

Project Name/Number: /

Little Rock, AR 72211 501-707-6729 [FAX]

Filing Company Information

QualChoice Life and Health Insurance CoCode: 70998 State of Domicile: Arkansas
Company, Inc.

12615 Chenal Parkway, Suite 300 Group Code: Company Type: Life & Health
Little Rock, AR 72211 Group Name: State ID Number:
(501) 228-7111 ext. [Phone] FEIN Number: 71-0386640

Filing Fees

Fee Required? Yes
Fee Amount: \$150.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
QualChoice Life and Health Insurance Company, Inc.	\$0.00	06/20/2011	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	08/02/2011	08/02/2011
Approved-Closed	Linda Bird	06/23/2011	06/23/2011

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Employee 7.1.2011 Replacement Page 1	Niki Thomas	07/14/2011	07/28/2011
Supporting Document	Employee 7.1.2011 Replacement Page 18	Niki Thomas	07/14/2011	07/28/2011
Supporting Document	Group 7.1.2011 Replacement Page 19	Niki Thomas	07/14/2011	07/28/2011

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Replacement Pages	Note To Reviewer	Niki Thomas	07/28/2011	07/29/2011
Replacement Pages	Note To Filer	Linda Bird	07/20/2011	07/20/2011
Replacement Pages	Note To Reviewer	Niki Thomas	07/14/2011	07/14/2011
Comparisons	Note To Reviewer	Niki Thomas	06/17/2011	06/20/2011

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Cover Letter	Note To Reviewer	Niki Thomas	06/17/2011 06/20/2011
Filing re-opened	Note To Filer	Linda Bird	07/13/2011

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Disposition

Disposition Date: 08/02/2011

Implementation Date:

Status: Approved-Closed

Comment: Employee Replacement page 1, Employee Replacement page 18, and Group Replacement page 19 have been submitted to replace the policies original form filing.

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		No
Supporting Document	Application		Yes
Supporting Document	Employee 7.1.2011 Replacement Page 1		Yes
Supporting Document	Employee 7.1.2011 Replacement Page 18		Yes
Supporting Document	Group 7.1.2011 Replacement Page 19		Yes
Form	Basic Term Life/Accidental Death and Dismemberment [and Short Term Disability Policy]		Yes
Form	Basic Term Life/ Accidental Death and Dismemberment [and Short Term Disability] Policy		Yes
Form	Group Life and AD&D Insurance Summary of Benefits		Yes

SERFF Tracking Number:	QUAC-127273808	State:	Arkansas
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	Inc.		
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Product Name:	QualChoice Life and Health Group Life Insurance		
Project Name/Number:	/		

Disposition

Disposition Date: 06/23/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: QUAC-127273808 State: Arkansas

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Project Name/Number: /

Note To Reviewer

Created By:

Niki Thomas on 07/28/2011 10:45 AM

Last Edited By:

Niki Thomas

Submitted On:

07/29/2011 10:55 AM

Subject:

Replacement Pages

Comments:

Ms. Bird:

I have spoken with SERFF again and I think the pages should be uploaded.

Please let me know if they did not go through properly.

Thank you,

Niki

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Amendment Letter

Submitted Date: 07/28/2011

Comments:

Replacement Pages

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Employee 7.1.2011 Replacement Page 1

Comment:

Employee 7.1.2011 Replacement Page 1.pdf

User Added -Name: Employee 7.1.2011 Replacement Page 18

Comment:

Employee 7.1.2011 Replacement Page 18.pdf

User Added -Name: Group 7.1.2011 Replacement Page 19

Comment:

Group 7.1.2011 Replacement Page 19.pdf

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Project Name/Number: /

Note To Reviewer

Created By:

Niki Thomas on 07/14/2011 04:38 PM

Last Edited By:

Niki Thomas

Submitted On:

07/14/2011 04:39 PM

Subject:

Replacement Pages

Comments:

Linda:

I have submitted the 3 replacement pages that we discussed earlier. Please let me know if there is anything else I need to do.

Thank you,
Niki Thomas

Note To Reviewer

Niki Thomas on 06/17/2011 10:14 AM

Linda Bird

06/23/2011 09:24 AM

Comparisons

Please see the attached redlined comparisons between the current policies and those proposed in this filing.

Note To Reviewer

Niki Thomas on 06/17/2011 10:11 AM

Linda Bird

06/23/2011 09:24 AM

Cover Letter

Please see attached.



QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.

12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211
(501) 228-7111

BASIC TERM LIFE / ACCIDENTAL DEATH AND DISMEMBERMENT
[and SHORT TERM DISABILITY POLICY]
RENEWAL AT OPTION OF QUALCHOICE LIFE
(NON-PARTICIPATING)

Policyholder: [ABC Company] Date of Issue: [Insert]

Policy Number: [00-10000-00] Effective Date: [Insert]

State of Delivery: Arkansas Policy Anniversary: [Insert]

In consideration of the payment of the first premium, and of the statements and agreements in the Group Application for Coverage, Product Selection and Sold Rate Form and individual applications, if any, of the eligible employees, QualChoice Life and Health Insurance Company, Inc. (herein called QualChoice Life) agrees to insure eligible employees of the Policyholder (and their eligible dependents, if any and if this Policy provides Dependent Life Insurance). ("Eligible Employees" are defined in the General Policy Provisions section. "Eligible Dependents" are defined in the Dependent Life Insurance section, if applicable). QualChoice Life promises to pay benefits according to the terms of this Policy. The Group Application for Coverage and Product Selection and Sold Rate Form, copies of which will be provide to Policyholder, are made part of this Policy.

Subject to the Policyholder Provisions and the Incontestability Provisions, this Policy may be renewed for successive renewal periods by the payment of the premium set by us on each renewal date. The length of each renewal period will be set by QualChoice Life, but will not be less than 12 months.

This Policy is delivered in and governed by the laws of the State of Delivery named above. **PLEASE READ YOUR POLICY CAREFULLY.**

For purposes of effective dates and ending dates under this Policy, all days begin and end at 12:01 a.m. Standard Time at the Policyholder's address where the Policy is delivered.

QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.

A handwritten signature in black ink that reads "Michael E. Stock".

Michael E. Stock
President & CEO

IMPORTANT QUALCHOICE CONTACT INFORMATION

QualChoice is committed to providing better customer support. That includes making it easy for you to contact us. You are always welcome to call us with any questions or concerns.

QualChoice Life and Health Insurance Company, Inc.
The QualChoice Building
12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211

Website Address:

www.qualchoice.com

Our Customer Service Department can be reached:

Toll Free at (800) 235-7111

Locally at (501) 228-7111

If we at QualChoice Life and Health Insurance Company, Inc. fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201
(501)371-2640 or (800) 852-5494

1.	POLICY EFFECTIVE DATE AND TERM	6
2.	ACTIVELY AT WORK PROVISION.....	6
2.1	"Active, Full-Time Employee"	6
2.2	"Full-time".....	6
2.3	"Active work" is work performed as an active, full-time employee. "Actively at work"	6
3.	DEFINITIONS.....	6
3.1	"Total Disability" or "Totally Disabled".....	6
3.2	"Group Application for Coverage and Product Selection and Sold Rate Form".....	6
3.3	"Schedule of Benefits".....	6
3.4	"Insured".....	6
3.5	"The date the Insured retires" or "retirement".....	6
3.6	"Physician".....	6
[3.7	"Earnings"].....	7
[3.8	"Insured Dependent"].....	7
4.	TERM LIFE INSURANCE BENEFIT.....	7
4.1	CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY.....	7
4.1.1	EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT.....	7
4.1.2	WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT.....	7
4.1.3	AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED.....	7
4.2	RIGHT TO CONVERT.....	7
4.2.1	AMOUNT TO CONVERT	8
4.3.	SUICIDE EXCLUSION.....	8
4.4.	THE ACCELERATED BENEFITS PROVISION	8
4.4.1	THE BENEFIT.....	8
4.4.2	TAX TREATMENT.....	9
4.4.3	DEFINITION OF TERMINAL CONDITION.....	9
4.4.4	ELIGIBILITY REQUIREMENTS.....	9
4.4.5	EFFECTIVE DATE OF THE ACCELERATED BENEFITS	9
4.4.6	EXCLUSIONS AND LIMITATIONS.....	9
4.4.7	CONVERSION.....	9
4.4.8	REDUCTIONS.....	10
4.4.9	FREQUENCY.....	10
4.4.10	TERMINATION.....	10
5.	ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT.....	10
5.1.	LOSSES.....	10
5.2	ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS.....	10
5.3	SEAT BELT BENEFIT	11
5.4	CONDITIONS.....	11
5.5	EXCLUSION.....	11
5.6	DEFINITION OF PRIVATE PASSENGER AUTOMOBILE	11
5.7	PAYMENT OF BENEFITS.....	11
[6.	DEPENDENT LIFE INSURANCE BENEFIT (THIS IS AN OPTIONAL BENEFIT.)	11
6.1	DEPENDENT DEFINED	11
6.2	ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE.....	12
6.3	REQUIREMENTS FOR DEPENDENT INSURANCE	12
6.4	EFFECTIVE DATE OF DEPENDENT INSURANCE	12
6.5	SCHEDULE OF DEPENDENT INSURANCE	12
6.6	WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT.....	13
6.7	WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT	13
6.8	TERMINATION OF DEPENDENT INSURANCE.....	13
6.9	LOSS OF DEPENDENT STATUS.....	13
6.10	DEATH BENEFIT.....	13
6.11	CONVERSION PRIVILEGE.....	13
6.12	TYPE OF CONVERSION POLICY AVAILABLE.....	14
6.13	EFFECTING A CONVERSION PRIVILEGE	14
6.14	CONVERSION POLICY PREMIUM RATE].....	14
7.	BENEFICIARY AND SETTLEMENT OPTIONS.....	14
7.1	BENEFICIARY DESIGNATION	14
7.2	CHANGE OF BENEFICIARY	14

7.3	CONSENT OF BENEFICIARY.....	15
7.4	PREFERENTIAL BENEFICIARY.....	15
7.5	MINOR BENEFICIARY.....	15
7.6	MORE THAN ONE BENEFICIARY.....	15
7.7	NO BENEFICIARY.....	15
7.8	SETTLEMENT OPTIONS.....	15
7.9	ASSIGNMENT.....	15
[8.	SHORT TERM DISABILITY BENEFIT (THIS IS AN OPTIONAL BENEFIT.).....	15
8.1	WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS.....	15
8.2	TOTAL DISABILITY BENEFIT - INJURY.....	16
8.3	TOTAL DISABILITY BENEFIT - SICKNESS.....	16
8.4	MAXIMUM BENEFIT PERIOD.....	16
8.5	RECURRENT DISABILITY.....	16
8.6	LIMITATIONS.....	16
8.7	PARTIAL DISABILITY BENEFIT.....	17
8.8	TERMINATION OF TOTAL DISABILITY BENEFITS.....	17
8.9	PARTIAL DISABILITY BENEFIT CALCULATION.....	17
8.10	TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION.....	17
8.11	TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT.....	17
8.12	WAIVER OF PRE-EXISTING CONDITION LIMITATION].....	17
9.	CHANGE OF CLASS OR EARNINGS.....	17
10.	WHEN INDIVIDUAL INSURANCE BEGINS.....	18
11.	WHEN INDIVIDUAL INSURANCE ENDS.....	18
12.	PREMIUM PROVISIONS.....	18
12.1	PREMIUM PAYMENT.....	18
12.2	PREMIUM DUE DATE.....	18
12.3	CHANGES IN PREMIUM RATES.....	18
12.4	INCORRECT PREMIUM PAYMENT.....	18
12.5	GRACE PERIOD.....	18
13.	GENERAL POLICY PROVISIONS.....	19
13.1	ENTIRE CONTRACT.....	19
13.2	INCONTESTABILITY.....	19
13.3	POLICY REINSTATEMENT.....	19
13.4	NOTICE OF CLAIM.....	19
13.5	CLAIM FORMS.....	19
13.6	PROOFS OF LOSS.....	19
13.7	PAYMENT OF CLAIMS.....	19
13.8	TIME OF CLAIM PAYMENT.....	19
13.9	PHYSICAL EXAMINATIONS AND AUTOPSY.....	19
13.10	LEGAL ACTIONS.....	20
13.11	NON-PARTICIPATION.....	20
13.12	MISSTATEMENT OF AGE.....	20
13.13	EMPLOYEE ELIGIBILITY.....	20
13.14	DUAL COVERAGE PRECLUDED.....	20
13.15	EXAMINATION OF POLICYHOLDER'S RECORDS.....	20
13.16	CERTIFICATES.....	20
13.17	ERISA.....	20
13.18	SPENDTHRIFT CLAUSE.....	20
13.19	RECORDS AND ESSENTIAL DATA.....	21
13.20	CONFORMITY WITH STATE STATUTES.....	21
13.21	POLICY TERMINATION.....	21
13.22	ALLOCATION OF AUTHORITY.....	21

PREMIUM RATE SCHEDULE

Rate Effective Date: (Insert) For Group Policy No. (Insert)

COVERAGE PREMIUM RATE--MONTHLY

Basic Term Life Insurance

\$[] per \$[\$1,000 of insurance] [employee per month]

[Class]	[Description]	[Amount]
[]	[]	\$[]
[]	[]	\$[]
[]	[]	\$[]

Accidental Death & Dismemberment Benefits \$[] per \$1,000 of principal sum

[Dependent Term Life Insurance \$[] per dependent unit]

[Short Term Disability Benefits \$[] per \$10 of benefit]

1. POLICY EFFECTIVE DATE AND TERM

The Effective Date of this Policy is shown on the Group Application for Coverage and/or Product Selection and Sold Rate Form. This Policy will stay in force for as long as the proper premium is paid; however, either the Policyholder or QualChoice Life may cancel this Policy on any Premium Due Date by telling the other in writing at least 31 days prior to such Premium Due Date.

2. ACTIVELY AT WORK PROVISION

2.1 "Active, Full-Time Employee" means an employee who performs all of the duties of his or her job with the Policyholder. This job may be at either:

1. The Policyholder's normal place of employment; or
2. At some other place to which the regular business operations of the Policyholder require that person to go.

An "Active, Full-Time Employee" does not include, however, temporary or seasonal employees. Nor does it include an officer or member of the board of the Policyholder who does not otherwise meet the definition of an "Active, Full-Time Employee".

2.2 "Full-time" means an employee must be:

1. Scheduled to work for the Policyholder at least [###] hours each week; and
2. On the regular payroll of the Policyholder for that work.

2.3 "Active work" is work performed as an active, full-time employee. "Actively at work" means being engaged at active work.

3. DEFINITIONS

3.1 "Total Disability" or "Totally Disabled" means any disability that:

1. Begins while this Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

3.2 "Group Application for Coverage and Product Selection and Sold Rate Form " mean the application(s) for this Policy signed by the Policyholder.

3.3 "Schedule of Benefits" means the description of benefits set forth in the Product Selection and Sold Rate Form.

3.4 "Insured" means an eligible employee who is insured under this Policy.

3.5 "The date the Insured retires" or "retirement" means the effective date of the Insured's:

1. Retirement pension benefits under any plan of a federal, state, county or municipal retirement systems, if such pension benefits include any credit for employment with the Policyholder;
2. Retirement pension benefits under any plan which the Policyholder sponsors, or makes or has made contributions; or
3. Retirement benefits under the United States Social Security Act of 1935, as amended, or under any similar plan or act.

3.6 "Physician" means a medical doctor or surgeon licensed to render services in accordance with the laws of the state where such services are rendered. The term "physician" will also include a licensed medical practitioner whose services are required by law to be recognized on the same basis as if they had been performed by a licensed medical doctor. Such practitioner must be acting within the scope of his or her license. Physician does

not include the Insured or a member of the Insured's immediate family (spouse, daughter, son, father, mother, sister, or brother).

[3.7 "Earnings" means the Insured's rate of earnings from the Policyholder in effect immediately prior to the date a claim begins. It does not include bonuses, overtime pay and other extra compensation other than commissions. Commissions will be averaged over the 12 month period prior to the date a claim begins.]

[3.8 "Insured Dependent" means an Insured's eligible spouse and/or child(ren) who are insured under this Policy, if this Policy provides Dependent Life Insurance.]

4. TERM LIFE INSURANCE BENEFIT

If an Insured dies while insured under this Policy, QualChoice Life will pay the applicable Life Insurance Benefit shown in the Schedule of Benefits.

4.1 CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY

4.1.1 EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT

In the event of termination of employment, a death benefit will be paid if the Insured dies while Totally Disabled provided that the disability:

1. Began while the person was both insured under this Policy and under age 60;
2. Has been continuous until death; and
3. Began within 12 months of the date of death.

4.1.2 WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT

If an Insured becomes Totally Disabled prior to age 60, QualChoice Life will waive premium for the Basic Term Life Insurance Benefit. The waiver of premium will begin on the first of the month following 12 consecutive months of Total Disability. The Insured must file written notice within 12 months after the date of Total Disability to be eligible for this benefit.

With respect to the Insured, this Waiver of Premium Benefit shall end on the earliest of the following:

1. On the date the Insured's Total Disability ends;
2. On the 91st day after QualChoice Life requests proof of continuous Total Disability, provided the Insured fails to furnish QualChoice Life with such proof during such 91 day period;
3. On the Premium Due Date immediately prior to the Insured's 65th birthday;
4. On the effective date of any individual life insurance policy obtained in accordance with Part 2, Right to Convert; or
5. On the date the Insured retires.

4.1.3 AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED

The Basic Term Life Insurance Benefit which is continued during Total Disability is the applicable amount of Basic Term Life Insurance in force as to the Insured on the date such Insured's Total Disability begins (subject to any reductions shown in the Schedule of Benefits).

This Continuation of Basic Term Life Insurance Benefit during Total Disability does not apply to the Accidental Death and Dismemberment Benefit.

4.2 RIGHT TO CONVERT

If an Insured is no longer eligible for part or all of the Life Insurance Benefit provided by this Policy, such Insured is entitled to apply to QualChoice Life for an individual policy of life insurance, without submitting evidence of insurability provided:

1. The policy applied for:
 - A. Is a type of individual life policy, other than term or universal life, then being issued by

- QualChoice Life; and
 - B. Does not include Accidental Death and Dismemberment [, Short Term Disability or other Supplemental benefits]; and
- 2. The amount of life insurance applied for under such individual life policy is in accordance with Section 4.2.1 below; and
- 3. The Insured agrees to pay the premium for such individual life policy. The premium will be based on the following, as of the effective date of such individual life policy;
 - A. QualChoice Life's usual rate for the amount and type of individual life policy; and
 - B. The Insured's attained age; and
- 4. The Insured applies and pays the first premium for such individual life policy within 31 days following termination or reduction of the Life Insurance Benefit under this Policy. Such individual life policy will become effective on the first day following the end of such 31 day period.

4.2.1 AMOUNT TO CONVERT

This conversion privilege is allowed for the Term Life Insurance that ceases for the following reasons:

- 1. The Insured may convert all or part of the amount of Life Insurance Benefit the Insured is no longer eligible for due to:
 - A. Reductions resulting from attainment of a specific age, as shown in the Schedule; or
 - B. Loss of the individual eligibility.
- 2. If the Insured has been insured under this Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured is no longer eligible due to:
 - A. Termination of this Policy;
 - B. Termination of the class of Insureds to which the Insured belongs; or
 - C. Reduction of benefits for the class of Insureds to which the Insured is a member:
 - (i) \$10,000, or
 - (ii) All or part of the amount for which the Insured is no longer eligible. This amount will be reduced by the amount of any life insurance for which the Insured becomes eligible to receive under a group policy issued or reinstated by QualChoice Life or any other insurer during the thirty-one day period immediately following termination of insurance under this Policy.

If the Insured dies during the conversion period, the maximum amount of Term Life Insurance which the Insured would have been entitled to have issued shall be payable as a claim under this Policy, whether or not application for the individual policy or the payment of the first premium has been made.

The rights or benefits granted under this provision are in lieu of any other rights or benefits granted under this Policy.

4.3. SUICIDE EXCLUSION

With respect to the Life Insurance Benefit, in the event an Insured, while sane or insane (in Missouri while sane), dies from intentionally self-inflicted injuries or any attempts thereat, within two years from the effective date of coverage, QualChoice Life's liability shall be only to return premiums paid under this Policy as to such Insured.

The Suicide Exclusion will not apply to the Insured who:

- 1. Is actively at work on the effective date of this Policy; and
- 2. Was insured for Group Life Insurance under the prior carrier's policy on its termination date.

4.4. THE ACCELERATED BENEFITS PROVISION

4.4.1 THE BENEFIT

The Insured with a medically determined terminal condition would be eligible to receive the following accelerated benefit:

Fifty percent (50%) of the Basic Term Life Insurance benefit in effect on the Insured's last day of active work up to a maximum insured amount of \$100,000. The maximum payable under this benefit is \$50,000.

An "Accelerated Benefit" covered under this Policy is a benefit payable:

1. To the Insured if, during his or her lifetime, the Insured sustains a terminal condition, as defined in this provision, the Insured or his or her legal representative may request a lump-sum accelerated death benefit payable once during the lifetime of the Insured;
2. Which reduces the death benefit otherwise payable under this Policy; and
3. Which is payable upon the occurrence of a single qualifying event which results in the payment of a benefit amount fixed at the time of acceleration.

4.4.2 TAX TREATMENT

Benefits paid under this provision may be taxable. The Insured or his or her beneficiary may incur a tax obligation. As with all tax matters, an Insured should consult with his or her personal tax advisor and/or attorney.

4.4.3 DEFINITION OF TERMINAL CONDITION

"**Terminal Condition**" means that the Insured has a medically determinable condition with no reasonable prospect of cure, which can be expected to result in death within 12 months of the date of disability. The proof of Terminal Condition satisfactory to QualChoice Life must be certified by the Insured's attending physician and one other physician.

QualChoice Life reserves the right to have the Insured examined at its expense by one or more physicians of its choice in connection with a request for Accelerated Death Benefit for Terminal Condition.

4.4.4 ELIGIBILITY REQUIREMENTS

All eligible Active Full Time Employees who have been covered under the Basic Term Life Insurance are eligible for the Accelerated Benefit. The benefit terminates at the earliest of:

1. When the Insured's Basic Term Life terminates;
2. At attained age 70; or
3. At retirement from employment.

In order to be eligible for this benefit, the Insured must have been continuously covered for at least one year under this Policy prior to sustaining a terminal condition, or covered under this Policy from the Policy Effective Date.

4.4.5 EFFECTIVE DATE OF THE ACCELERATED BENEFITS

The Accelerated Benefit provision shall be effective for accidents on the Policy Effective Date. The Accelerated Benefit provision shall be effective for illness thirty (30) days following the Policy Effective Date.

4.4.6 EXCLUSIONS AND LIMITATIONS

The Accelerated Benefit will not apply:

1. To any self inflicted injuries or suicide attempts;
2. To any [Supplemental Term Life Insurance benefits, including Dependent Life, nor to any] Accidental Death and Dismemberment benefits;
3. If an Insured is totally disabled on his or her Effective Date of coverage;
4. To a Basic Term Life Insurance benefit that has been assigned;
5. To a Basic Term Life Insurance benefit payable to an irrevocable beneficiary;
6. To a Basic Term Life Insurance benefit with a face amount of less than \$10,000; nor
7. If the required Basic Term Life Insurance premium is due and unpaid.

4.4.7 CONVERSION

The amount of Basic Term Life Insurance that may be converted is the Insured's Basic Term Life Insurance reduced by the Accelerated Benefit amount paid.

4.4.8 REDUCTIONS

If a benefit reduces in accordance with a reduction provision the total amount payable to the Insured will not be affected by the advanced payment.

4.4.9 FREQUENCY

Only one Accelerated Benefit payment will be made to an Insured.

4.4.10 TERMINATION

This Accelerated Benefits provision will terminate for the Insured on the earliest of the following dates:

1. The date the Policyholder terminates coverage under this Policy;
2. The date this Policy terminates;
3. The date the Insured retires;
4. The date the Insured dies;
5. The date the Insured receives an Accelerated Benefit payment; or
6. The date the Insured continues coverage under the Conversion Provisions of this Policy.

5. ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

5.1. LOSSES

If an Insured suffers any of the following losses, QualChoice Life will pay the indicated percentage of the Principal Sum, provided such loss:

1. Results from Injury and independently of all other causes, which Injury is caused by an accident that occurs while this benefit is in force as to the Insured; and
2. Occurs within 90 days of that accident. The Principal Sum is shown in the Schedule of Benefits.

Loss of Life	100%
Loss of Both Hands or Both Feet	100%
Loss of Entire Sight of Both Eyes	100%
Loss of One Hand and One Foot	100%
Loss of One Hand and the Entire Sight of One Eye	100%
Loss of One Foot and the Entire Sight of One Eye	100%
Loss of One Hand or One Foot	50%
Loss of Entire Sight of One Eye	50%

"Loss" as above used means:

1. With reference to hand or foot, complete loss of the use of the hand, or foot; and
2. With reference to eye, irrecoverable loss of the entire sight thereof.

If the Insured suffers more than one of the above losses as a result of the same accident, the benefit provided under this provision will be paid only for the greatest loss.

If loss of Life results while an Insured was riding as a fare-paying passenger in or upon a public conveyance being operated by a licensed common carrier for passenger service, the Accidental Death benefits provided under the Policy will be increased. The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$100,000.

5.2 ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS

This Policy does not provide benefits for any loss caused by or resulting from:

1. Declared or undeclared war or any act of war;
2. Service in the armed forces of any country or international authority;
3. Suicide or intentionally self - inflicted injury whether the Insured was sane or insane (in Missouri while sane) at the time of the suicide or injury;
4. Flying in an aircraft owned, operated, leased or chartered by the Policyholder;
5. Participation in, or in consequence of having participated in, the commission of any felony;

6. Sickness or disease, ptomaine or bacterial infection (except infections occurring through an accidental cut or wound); or
7. Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug, alcohol or any combination of these when not part of a professional medical treatment plan.

The Accidental Death and Dismemberment Benefit is not available to Insured Dependents.

5.3 SEAT BELT BENEFIT

The Accidental Death benefits provided under this Policy will be increased if, as a result of driving or riding in a private passenger automobile, the Insured dies as a result of an automobile accident.

The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$10,000.

5.4 CONDITIONS

QualChoice Life must receive proof that:

1. The Insured was insured for Accidental Death and Dismemberment benefits under this Policy; and
2. According to the official vehicle accident report, the Insured was wearing a properly installed seat belt or lap and shoulder restraint, or any other National Highway Traffic Safety Administration approved restraint at the time of the accident.

5.5 EXCLUSION

This additional benefit will not be paid if:

1. The Insured was driving while impaired by alcohol or drugs; or
2. The driver of the automobile in which the Insured was riding was driving while impaired by alcohol or drugs.

5.6 DEFINITION

A **"private passenger automobile"** is a four-wheel private passenger car, station wagon, van, truck or jeep-type automobile. It is not:

1. A taxi, bus or any other vehicle being used for public conveyance;
2. Used in off-road activities; or
3. Used in testing racing or endurance contests, either amateur or professional.

5.7 PAYMENT OF BENEFITS

Upon receipt of due proof of loss, the Accidental Death and Dismemberment benefit will be paid to the Insured, if living; otherwise, to the beneficiary.

All Claim Provisions and Beneficiary and Settlement Provisions apply to this coverage.

[6. DEPENDENT LIFE INSURANCE BENEFIT (This is an optional benefit.)

6.1 DEPENDENT DEFINED

A **"dependent"** is any one of these family members:

1. The Insured's spouse, if not legally separated from the Insured;
2. Each unmarried child (including any stepchild, legally adopted child or foster child) who is:
 - A. At least 14 days and under 19 years of age; and
 - B. Depends on the employee for the major part of his or her support.

However, the age limit is raised to under 23 years if the child is in school as a full-time student and financially dependent upon the Insured.

An eligible dependent will not include anyone who:

1. Is eligible for Employee Insurance; or
2. Is entitled to any extended coverage under this Policy by reason of having been an employee of the Policyholder.

If both husband and wife are Insureds, their children will be covered as dependents of the husband or wife, but not of both.

6.2 ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE

An Insured will be eligible for Dependent Insurance on the first day on which he or she:

1. First enters a class that provides Dependent Insurance; and
2. First gains a dependent. This will include gaining a dependent after a time without one.

6.3 REQUIREMENTS FOR DEPENDENT INSURANCE

1. An Insured must enroll for Dependent Insurance that is shown to be contributory in the Product Selection and Sold Rate Form for the coverage to become effective.
2. In the case of a special enrollment period which applies when one of the events listed below occurs, submission by the Insured to QualChoice Life through the Policyholder of a completed Enrollment Application allows a special enrollment of a dependent as long as it is sent to QualChoice Life within thirty (30) days of the occurrence of one of the following events:
 - A. Birth;
 - B. Adoption;
 - C. Marriage;
 - D. Addition of step-children; or
 - E. Permanent legal custody of a Child.
3. Deferral Rule - To effect new coverage on a dependent the following rule will apply:

The new coverage will be deferred for a dependent if he or she is confined in a medical care unit when it is due to take effect. In this case, the new coverage will take effect on the first day that the dependent is free from confinement.

For the purposes of this Deferral Rule, "**medical care unit**" means:

- A. A licensed general hospital; or
- B. A unit that treats one or more specific ailments; or
- C. Any type of convalescent or skilled nursing care facility.

This deferral rule does not apply to a newborn child upon reaching the minimum age if:

- A. On that date the child is hospital confined; and
- B. Has been continuously so confined since birth.

6.4 EFFECTIVE DATE OF DEPENDENT INSURANCE

An Insured's Dependent Insurance will take effect on the first day of the Policy Month that coincides with or next follows the date that:

1. The Eligibility Requirement is met; and
2. At least one dependent will become covered.

6.5 SCHEDULE OF DEPENDENT INSURANCE

CLASSIFICATION	AMOUNT OF INSURANCE
Spouse	[xxxxxxxx]
Children	
At least 14 days but less than 6 months of age	\$100
At least 6 months of age but less than [xxxxx] years of age	
([xxxxxxxx] years, if unmarried, full-time student)	[xxxxxxxx]
Unmarried, full-time student	[1,000]

The amount of coverage is shown on the Schedule of Benefits.

The insurance amount for an Insured's spouse or child may not exceed 50% of the Insured's amount of life insurance under this Policy.

6.6 WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT

The effective date of increases in a benefit amount is subject to the Deferral Rule. The effective date of a benefit decrease is not subject to the Deferral Rule.

A dependent will be covered for a change in the amount of an in force benefit as follows:

1. Benefit Change Due to Change in Age. The change takes effect on the first day of the Policy Month that coincides with or next follows the date of the age change.
2. Benefit Change Due to Change in Employee's Benefit Amount. The change takes effect on the same day as the change in the Insured's personal coverage.

6.7 WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT

Subject to the Deferral Rule, a dependent will first be covered for a newly acquired benefit from the date that:

1. The person is an eligible dependent and eligible for the new benefit;
2. The Insured has enrolled for Dependent Insurance; and
3. The enrollment requirements of the Policy are met for that benefit.

6.8 TERMINATION OF DEPENDENT INSURANCE

Dependent Insurance of an Insured will terminate on the earliest of:

1. The first day of the Policy Month that coincides with or next follows the date of the Insured's death;
2. The date that the Insurance of an Insured terminates;
3. The date Dependent Insurance benefits are discontinued under this Policy;
4. The date the Insured's class changes to one that does not provide Dependent Insurance benefits;
5. The beginning of the period for which premium is not paid as to the Insured Dependent;
6. The Premium Due Date immediately prior to the Insured Dependent Child's 19th birthday (23rd birthday, if attending school on a full-time basis), marriage or entry into the armed forces; or
7. For contributory coverage only, the end of the last period for which a premium charge has been paid if the next premium charge is not paid when due.

6.9 LOSS OF DEPENDENT STATUS

Dependent Insurance will cease for a person on the date that he or she is no longer an eligible dependent.

6.10 DEATH BENEFIT

QualChoice Life will pay a death benefit as shown in items 1. or 2. upon receipt of proof of death. It will be paid to the Insured if living at the time of payment; otherwise, it will be paid to the Insured's estate.

1. **Death Benefit While the Dependent is Covered** - When a person who is covered as a dependent dies, QualChoice Life will pay a death benefit. This benefit will be the amount of Dependent Term Life Insurance in force on that person's life at time of death.
2. **Death Benefit During the Conversion Period** - A death benefit will be paid if a dependent dies:
 - A. Within 31 days after all or part of the Dependent Term Life Insurance for the dependent would otherwise have terminated; and
 - B. During the period the dependent would have been entitled to have a conversion policy issued under the terms of the Conversion Privilege.

The death benefit will be the amount of Dependent Term Life Insurance that could have been converted for the dependent.

6.11 CONVERSION PRIVILEGE

This conversion privilege is allowed for the Dependent Term Life Insurance that ceases as described in items 1. and 2. below. This privilege must be exercised by the Insured Dependent unless legally unable to make a valid contract. In

that case, the application must be made by the Insured, if living, or otherwise by the legal guardian of the Insured Dependent.

1. The Insured Dependent may convert all or part of the amount of insurance that ceases due to:
 - A. Provisions of the Product Selection and Sold Rate Form; or
 - B. Loss of eligibility.

However, no conversion is allowed for life insurance which stops solely due to non-payment of contributions.

2. If the Insured Dependent has been insured under this Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured Dependent is no longer eligible due to:
 - A. Termination of this Policy;
 - B. Termination of the Policyholder's coverage under this Policy; or
 - C. Amendment of this Policy to terminate the Dependent Term Life Insurance under the Insured's Eligible Class.

The amount that may be converted if the Insured Dependent is no longer eligible due to one of the reasons listed above is the lesser of:

- (i) \$10,000; or
- (ii) All or part of the amount that ceases. This amount is reduced by any new dependent life insurance for which the Insured becomes eligible under any other group policy issued within 31 days of termination under this Policy.

6.12 TYPE OF CONVERSION POLICY AVAILABLE

A conversion policy will be one of the kinds of individual life insurance policies, other than term or universal life insurance, then being issued by the Company. The conversion policy will not include accidental death, disability or other supplementary benefits. It will be issued without evidence of insurability.

6.13 EFFECTING A CONVERSION PRIVILEGE

A conversion policy will take effect at the end of 31 days after insurance termination. To convert, the person requesting conversion must submit the following to the Company within that 31 day period:

1. Written application; and
2. The first premium payment.

6.14 CONVERSION POLICY PREMIUM RATE

The premiums for the conversion policy will be at:

1. QualChoice Life's usual rates for its type and amount;
2. The dependent's class of risk; and
3. The dependent's age last birthday as of its effective date.]

7. BENEFICIARY AND SETTLEMENT OPTIONS

7.1 BENEFICIARY DESIGNATION

The beneficiary or beneficiaries of an Insured shall be that person or persons indicated on the Insured's individual application for insurance. This application will be filed with the Policyholder. The beneficiary of an Insured Dependent, if this Policy provides Dependent Life Insurance, shall be the Insured.

7.2 CHANGE OF BENEFICIARY

Unless the Insured has made an irrevocable assignment of benefits, the beneficiary may be changed by sending a written request to the home office of QualChoice Life. When such request is received by QualChoice Life, the change of beneficiary shall take effect as of the date of execution of the written request, but without prejudice to QualChoice Life on account of any payment previously made by QualChoice Life.

7.3 CONSENT OF BENEFICIARY

If the Insured does initially name the spouse as beneficiary, QualChoice Life will require written consent of the spouse to name or change the beneficiary in community property states.

7.4 PREFERENTIAL BENEFICIARY

If the Insured has died and no beneficiary is living or named, QualChoice Life may, at its option, pay the benefits to the Insured's estate or to the surviving relatives of the Insured, specifically, the Insured's:

1. Spouse;
2. Child or children;
3. Parent(s);
4. Brothers and sisters; or
5. Executors or administrators.

QualChoice Life will not be liable to the extent of any payment so made, unless it receives written notice of a valid claim by some other person before payment is made.

7.5 MINOR BENEFICIARY

If the beneficiary is a minor or, in the opinion of QualChoice Life, is not able to give valid release for any payment due, QualChoice Life may, at its option and until claim is made by the duly appointed guardian, pay the benefit to the person or entity who appears to have assumed the care and support of the beneficiary. [Benefits in this event will be made in monthly payments of not more than \$50 each.]

QualChoice Life will not be liable to the extent of any payment so made in good faith.

7.6 MORE THAN ONE BENEFICIARY

If the Insured has named more than one beneficiary, the applicable amount of insurance shall be paid to the beneficiaries who survive the Insured, in equal share, unless the Insured has specified a different proportion.

7.7 NO BENEFICIARY

If the beneficiary predeceases the Insured or if the Insured does not designate a beneficiary, then the applicable amount of life insurance will be paid to the estate of the Insured.

7.8 SETTLEMENT OPTIONS

An Insured may elect or change a settlement option by filing a written request with QualChoice Life. The settlement options available will be those offered by QualChoice Life when the option is chosen. If an Insured does not request a settlement option, the beneficiary may do so after the Insured's death.

7.9 ASSIGNMENT

1. The Insured may make an irrevocable assignment of interest under this Policy. The assignment:
 - A. Must be made in writing on a form approved by QualChoice Life;
 - B. Must be an absolute assignment that transfers all rights except those of an irrevocably named beneficiary; and
 - C. Must not be a collateral assignment.
2. Assignment of interest conveys all rights of ownership. These include the right to change the beneficiary, receive payment of claims and assign the insurance.
3. QualChoice Life is not responsible for the validity or results of the assignment.

[8. SHORT TERM DISABILITY BENEFIT (This is an optional benefit.)

8.1 WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS

"Elimination Period" means the number of consecutive days an Insured must be Totally Disabled before benefits become payable under this Policy. The Elimination Period is shown in the Group Application for

Coverage and/or Product Selection and Sold Rate Form.

"Injury" means bodily injury caused by an accident when:

1. The accident occurs while this Policy is in force as to the Insured;
2. The accident and Injury are not caused or contributed to by illness or disease; and
3. The Injury results directly and independently of all other causes in Total Disability which commences within 60 days of the accident. If the Injury results in Total Disability which commences more than 60 days following the date of the accident, Total Disability shall be deemed to be the result of Sickness.

"Partial Disability" means the Insured:

1. Is able to do some but not all of the duties of his or her occupation; and
2. Is under the regular care and attendance of a licensed physician.

["Pre-existing Condition" means a condition:

1. Resulting from an Injury that occurred or a Sickness that began before the Insured's effective date of coverage under this Policy;
2. For which medical treatment or advice was received during the 6 month period immediately before the Insured's effective date of coverage under this Policy; and
3. That causes Total Disability while the Insured is insured under this Policy.]

"Sickness" means illness or disease which causes Total Disability that begins while the Insured is insured under this Policy.

"Total Disability" or "Totally Disabled" means any disability that:

1. Begins while this Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

8.2 TOTAL DISABILITY BENEFIT - INJURY

QualChoice Life will pay the benefits in the Schedule of Benefits, when an Injury causes the Insured to be Totally Disabled beyond the Elimination Period.

8.3 TOTAL DISABILITY BENEFIT - SICKNESS

QualChoice Life will pay the benefits in the Schedule of Benefits, when a Sickness causes the Insured to be Totally Disabled beyond the Elimination Period.

8.4 MAXIMUM BENEFIT PERIOD

The Maximum Benefit Period is shown in the Schedule of Benefits. Total and Partial Disability will be considered one period of Total Disability.

8.5 RECURRENT DISABILITY

While this Policy is in force as to the Insured, successive periods of Total Disability:

1. Resulting from the same or related Injury or Sickness; and
2. For which benefits had been paid under this Policy;

will be considered as one period of Total Disability under this Policy unless such periods of Total Disability are separated by at least 14 consecutive days, during which the Insured has returned to active, full-time work.

8.6 LIMITATIONS

This Policy will not pay benefits for any disability which:

1. Is not being continuously treated by a physician;
2. Is the result of Injury or Sickness that, in either case, arises out of work for wage or profit;
3. Is the result of an intentionally self-inflicted injury or a suicide attempt; and
4. Is due to alcoholism or drug dependency except while confined as a bed patient in a medical care

facility.

8.7 PARTIAL DISABILITY BENEFIT

If the Insured returns to work on a part-time basis after a period of Total Disability, QualChoice Life will pay the Insured a Partial Disability Benefit. The Insured:

1. Must have received a Total Disability Benefit as provided by this Policy; and
2. Must be Partially Disabled as a result of the same Sickness or Injury that caused Total Disability.

8.8 TERMINATION OF TOTAL DISABILITY BENEFITS

QualChoice Life will stop paying a Total Disability Benefit on the earlier of the following dates:

1. The date the Insured ceases to be Totally Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached.

8.9 PARTIAL DISABILITY BENEFIT CALCULATION

To figure the amount of Partial Disability Benefit:

1. Determine the Total Disability Benefit as shown in the Schedule of Benefits;
2. Multiply the Insured's part-time weekly ~~earnings~~[Earnings] by 50%; and
3. Subtract the amount determined in Step 2 above from the amount determined in Step 1.

The amount determined in Step 3 is the Partial Disability Benefit.

However, for a Partial Disability Benefit to be payable, the Insured's part-time weekly ~~earnings~~[Earnings] may not exceed the Total Disability Benefit as shown in the Schedule of Benefits.

8.10 TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION

QualChoice Life will pay the benefits in the Schedule of Benefits for Pre-existing Conditions provided that Total Disability resulting from a Pre-existing Condition commences 12 months or more after the Insured's effective date of coverage under this Policy.

8.11 TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT

QualChoice Life will stop paying a Total or Partial Disability Benefit on the earliest of the following dates:

1. The date the Insured ceases to be Totally or Partially Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached; or
3. The date the employee's part-time weekly ~~earnings~~[Earnings] exceed the Insured's Total Disability Benefit as shown in the Schedule of Benefits.

8.12 WAIVER OF PRE-EXISTING CONDITION LIMITATION

The "Pre-existing Condition Limitation" will not apply if the Insured:

1. Is actively at work on the effective date of this Policy; and
2. Was insured under the prior carrier's policy on its termination date.]

9. CHANGE OF CLASS OR EARNINGS

If a change in an Insured's class or ~~earnings~~[Earnings] would increase the amount of the benefits entitled to be received under this Policy, such increase in benefits will become effective on the Premium Due Date following such change, provided:

1. Notice of the change is given to QualChoice Life within 30 days of the change; and
2. Such increase in benefits does not exceed the Guarantee Issue Amount, stated in the Group Application for Coverage and/or Product Selection and Sold Rate Form.

If notice is not given within the required time or the increase in benefits would exceed the Guaranteed Issue Amount, stated in the Group Application for Coverage and/or Product Selection and Sold Rate Form, such increase in benefits:

1. Must be approved by QualChoice Life; and
2. Will become effective on the Premium Due date following QualChoice Life's approval.

If the Insured is not at work full-time due to Injury or Sickness on the date an increase in benefits is due to begin, such increase in benefits will not begin until the Insured returns to full-time work.

If a change in an Insured's class or ~~earnings~~Earnings would decrease the amount of benefits entitled to be received under this Policy, such decrease in benefits will become effective on the Premium Due Date following the change.

10. WHEN INDIVIDUAL INSURANCE BEGINS

To become insured, eligible employees must make written application to QualChoice Life. Coverage will begin on the Premium Due Date, shown in the Group Application for Coverage and/or Product Selection and Sold Rate Form for benefits, following the date QualChoice Life approves the application. QualChoice Life may require evidence of insurability before approving the application.

If an eligible employee is not at full-time work due to an Injury or Sickness on the date insurance is due to begin, it will not begin until return to full-time work.

11. WHEN INDIVIDUAL INSURANCE ENDS

The insurance will end with respect to an Insured on the earliest of the following:

1. When this Policy is cancelled;
2. When the insurance is cancelled for the class of insureds to which the Insured belongs;
3. The beginning of the period for which premium is not paid as to the Insured; or
4. The date the Insured is no longer actively working on a Full-time basis in any class or classes insured under this Policy unless (and only with respect to the Basic Term Life Insurance Benefit, if provided by this Policy) the Continuation of Basic Term Life Insurance Benefit During Total Disability applies.

12. PREMIUM PROVISIONS

12.1 PREMIUM PAYMENT

Premiums are payable at the Home Office of QualChoice Life on or before each premium due date.

12.2 PREMIUM DUE DATE

The first premium will be due on the Policy effective date and on the same day of each subsequent month unless the Policyholder and QualChoice Life agree on some other method of premium payment.

12.3 CHANGES IN PREMIUM RATES

The monthly premium rates may be changed by QualChoice Life from time to time if it gives the Policyholder at least 31 days advance written notice. No such change will be made until 12 months after the Policy Effective Date except when the Policyholder requests it.

12.4 INCORRECT PREMIUM PAYMENT

Premiums paid in error for a person who is not eligible to be insured will be refunded without interest when requested by the Policyholder. These premiums will not be refunded for any period before the last Policy anniversary date.

12.5 GRACE PERIOD

If, before any premium due date except the first, the Policyholder has not given written notice to QualChoice Life that this Policy is to be terminated, a grace period of 31 days will be given in which to pay the premium then due. This Policy will stay in effect during that time. If any premium is not paid by the end of the grace period, this policy will automatically terminate at the end of the grace period; except that if the Policyholder has given written notice in advance of an earlier date of termination, this Policy will terminate as of the earlier date.

13. GENERAL POLICY PROVISIONS

13.1 ENTIRE CONTRACT

This Policy, with the Policyholder's Application, the individual applications, if any, and Amendments, if any, is the entire contract between the Policyholder and QualChoice Life. All statements made by the Policyholder or the persons insured will be deemed representations and not warranties. No change in this Policy will be valid until approved by a QualChoice Life officer. This approval must be endorsed on or attached to this Policy. No agent may change this Policy or waive any of its provisions.

13.2 INCONTESTABILITY

The validity of this Policy may not be contested, except for nonpayment of premium, after it has been in force for two years from its Effective Date. No statement made by an Insured may be used to reduce or deny a claim or to contest the validity of the insurance unless all of the following are true:

1. The insurance has been in effect for a period of two years or less;
2. The statement is in a written instrument signed by the Insured; and
3. A copy of the written instrument has been given to the Insured or the Insured's beneficiary.

13.3 POLICY REINSTATEMENT

In the event that this Policy is terminated because premiums were not paid within the grace period, QualChoice Life may reinstate this Policy at its sole option, and may charge an additional reinstatement fee if it wishes to do so. If QualChoice Life does not elect to reinstate this policy, it is not required to do so.

13.4 NOTICE OF CLAIM

Written notice of claim must be given within 30 days after a covered loss begins, or as soon as reasonably possible. The notice may be given to QualChoice Life at P. O. Box 25610, Little Rock, Arkansas 72221. Notice should include information which identifies the Insured or Insured Dependent and this Policy.

13.5 CLAIM FORMS

When QualChoice Life receives notice of claim, forms for filing proof of loss will be sent to the claimant. If these forms are not sent within 15 days, the claimant will meet the proof of loss requirements if, within 90 days after the loss began, QualChoice Life is given written proof of the nature and extent of the loss.

13.6 PROOFS OF LOSS

Written proof of loss must be given to QualChoice Life within 90 days after the loss begins. QualChoice Life will not deny nor reduce any claim if it was not reasonably possible to give QualChoice Life such proof in the time required. In any event, proof must be given to QualChoice Life within 1 year after it is due, unless the claimant is legally incapable of doing so. QualChoice Life has the right to require proof of the continuance of total disability at any time during the first two years after receipt of initial proof of total disability, and thereafter, once a year.

13.7 PAYMENT OF CLAIMS

Benefits provided by this Policy will be paid to the beneficiary determined in accordance with Section 7 of this Policy, entitled "**BENEFICIARY AND SETTLEMENT OPTIONS**".

13.8 TIME OF CLAIM PAYMENT

Short Term Disability Benefit claims (if this Policy provides a Short Term Disability Benefit) will be paid weekly as of the dates required. Claims for other benefits will be paid not more than 30 days after receipt by QualChoice Life of written proofs of loss. If we fail to pay benefits within this 30-day period, the Insured is entitled to interest at the rate of 6 percent per year from the 60th day after receipt of due proof to the date of late payment.

13.9 PHYSICAL EXAMINATIONS AND AUTOPSY

QualChoice Life at its own expense will have the right and opportunity to have the Insured examined as often as reasonably necessary while a claim is pending. QualChoice Life at its own expense may have an autopsy made (during the period of contestability), unless prohibited by law. If the Insured fails to submit proof of continuing Total Disability when required; or fails to be examined medically when required, no further benefit will be provided for that

Total Disability.

13.10 LEGAL ACTIONS

No legal action may be brought to recover on this Policy before 60 days after written proof of loss has been furnished, as required by this Policy. No such action may be brought after 6 years from the time written proof of loss is required to be furnished.

13.11 NON-PARTICIPATION

This Policy will not share in any earnings of QualChoice Life.

13.12 MISSTATEMENT OF AGE

If an Insured's or Insured Dependent's age has been misstated, benefits payable for such Insured or Insured's Dependent will be what the premium paid would have purchased at the correct age. This benefit will be subject to the applicable Policy maximums.

13.13 EMPLOYEE ELIGIBILITY

Active, Full-Time Employees of the Policyholder (Employer) who:

1. Are in a class of employees determined by conditions of employment, which is agreed upon as eligible by the Policyholder and QualChoice Life; and
2. Have been continuously employed during the minimum service period, as shown in the Group Application for Coverage and/or Product Selection and Sold Rate Form, immediately preceding their individual effective dates of insurance.

13.14 DUAL COVERAGE PRECLUDED

No person may be insured under this Policy as:

1. A dependent of more than one employee; or
2. Both an employee and a dependent.

13.15 EXAMINATION OF POLICYHOLDER'S RECORDS

QualChoice Life will be allowed to examine the records of the Policyholder relating to this Policy. This may be done at any reasonable time up to 2 years after the cancellation of this Policy, or until settlement of all claims, whichever is later.

13.16 CERTIFICATES

QualChoice Life will issue a Certificate of Insurance for each Insured. It will describe:

1. The benefits to which an Insured (or Insured Dependent, if this Policy provides Dependent Life Insurance) is entitled under this Policy;
2. To whom such benefits are payable; and
3. The limitations and requirements of this Policy.

13.17 ERISA

If this Policy is an integral part of an employee welfare benefit plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA), QualChoice Life is a claim fiduciary. As claim fiduciary, QualChoice Life shall have the discretionary authority to determine eligibility for benefits and to construe the terms of that part of the ERISA plan represented by this Contract. Any judicial review of a decision of QualChoice Life shall be conducted under the arbitrary and capricious standard of review with deference given to the claim fiduciary's decision.

13.18 SPENDTHRIFT CLAUSE

To the extent allowed by law, no benefit of the Policy is subject to the claim or legal process of a creditor of an Insured or a beneficiary.

13.19 RECORDS AND ESSENTIAL DATA

The Policyholder will keep a record of all Insureds. This record will contain all of the data that is specified by QualChoice Life.

13.20 CONFORMITY WITH STATE STATUTES

Any provision of this Policy which, on its Effective Date, is in conflict with the laws of the state in which this Policy is delivered, is amended to conform to the minimum requirements of such laws.

13.21 POLICY TERMINATION

The Policyholder may terminate this Policy by giving QualChoice Life at least 31 days prior written notice.

QualChoice Life may terminate this Policy as of any premium due date by giving at least 31 days advance written notice to the Policyholder if any of the following occurs:

1. If on a non-contributory plan, less than 100% of the eligible employees are insured under this Policy.
2. If on a contributory plan, less than 75% of the eligible employees are insured under this Policy.
3. If on a contributory plan, less than 75% of the eligible employees [(15% with respect to the Short Term Disability Benefit)] are insured under this Policy.
4. If less than 2 eligible employees are insured under this Policy.
5. If less than 2 eligible employees [(10 with respect to the Short Term Disability Benefit)] are insured under this Policy.
6. If less than the minimum required by law are insured under this Policy.

QualChoice Life may terminate this Policy at any time after it has been in effect for 12 months by giving advance written notice to the Policyholder.

Termination will take effect on the later of the date stated in the notice or 31 days from the date of mailing such notice.

The Policy will terminate at the end of the grace period if premiums have not been paid by that date.

13.22 ALLOCATION OF AUTHORITY

Except for those functions which the Policy specifically reserves to the Policyholder, QualChoice Life has full and exclusive authority to control and manage this Policy, to administer claims and to interpret this Policy and resolve all questions arising in the administration, interpretation and application of this Policy.

QualChoice Life's authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the group policy and any claim under it; and
3. The right to determine:
 - A. Eligibility for insurance;
 - B. Entitlement to benefits;
 - C. The amount of benefits payable; and
 - D. The sufficiency and the amount of information QualChoice Life may reasonably require to determine A, B, or C above.

Subject to the review procedures of the group policy, any decision QualChoice Life makes in the exercise of this authority is conclusive and binding.

VIA SERFF

June 16, 2011

Ms. Linda Bird
Arkansas Department of Insurance
Life and Health Division
1200 West Third Street
Little Rock, Arkansas 72201-1904

RE: QualChoice Life and Health Insurance Company, Inc. Life and AD&D Policy Certificates

Dear Ms. Bird:

Please find, filed with SERFF, the following forms for filing and approval by QualChoice Life and Health Insurance Company, Inc.:

- Form #: QCLHIC Group Life/AD&D To Employer (7/2011);
- Form #: QCLHIC Group Life/AD&D To Insured (7/2011); and
- Form #: QCLHIC Group Life/AD&D Benefits Summary (7/2011).

This will certify QualChoice Life and Health's compliance with Rule 19 ("Unfair Sex Discrimination in the Sale of Insurance").

This will certify that the forms listed above do not meet the minimum score of forty (40) on the Flesch reading ease test as specified in Ark. Statute Ann. 23-80-206. Although the score is lower than the minimum required, it should be approved in accordance with Ark. Stat. Ann. 23-80-207 and warranted due to the nature of the policy form and necessary inclusion of medical terminology and language drafted to conform to state and federal law.

It is my understanding that because these policies are for group term life insurance, it is not necessary to file the non-forfeiture values or an actuarial memorandum. If my understanding is incorrect, please let me know.

Please feel free to contact me at any time should you need additional information or have any questions or comments.

Sincerely,
/s/ J. Nicole Thomas
Associate Corporate Counsel
Nicole.thomas@qualchoice.com
(501) 219-5129





Issued by QualChoice Life and Health Insurance Company, Inc.

Group Life and AD&D Insurance

SUMMARY OF BENEFITS

Important Note: This Summary of Benefits is not intended to be a complete description of the insurance coverage offered. Controlling provisions are provided in the Policy issued to your employer, and this Summary of Benefits does not modify that Policy or the insurance in any way. This Summary of Benefits is not a binding contract. A Policy that describes the benefits in greater details is available to you by either contacting your employer or by contacting QualChoice directly. (See contact information below.) There are certain exclusions set forth in the Policy that may exclude payment of benefits under certain circumstances. Should there be any differences between this Summary of Benefits and the Policy, the Policy will govern.

Policyholder: [Employer Sponsor Name]

Policy Number: [#]

Certificate Date: [Date]

Basic Term Life Benefit Employee

Amount \$[Amount]

Alternate

[#]% of Annual Earnings Up To A Maximum of \$[#]

AD&D Principal Sum Employee

Amount \$[Amount]

Benefit Reduction for each of the amount of Basic Term Life and AD&D Principal Sum Employee

Benefits will reduce: [#]% of the original amount at age [#]

[#]% of the original amount at age [#]

[#]% of the original amount at age [#]

[Benefits terminate at retirement]

[Short Term Disability¹**Employee**

Amount

\$[# Per Week]]

[Dependent Life

Amount

\$[#]]

**See Definitions Page
Below For Additional
Information About:**

"Accelerated Benefit"

"Accidental Death and Dismemberment"

"Conversion"

["Dependent Life"]

~~["Earnings"]~~

["Short Term Disability"]

Eligibility

An Active, Full-Time Employee who performs all of the duties of his or her job with the Policyholder and otherwise meets the eligibility requirements set out in the Policy is eligible for coverage. This job may be at either: (1) The Policyholder's normal place of employment; or (2) At some other place to which the regular business operations of the Policyholder require that person to go. An "Active, Full-Time Employee" does not include, however, temporary or seasonal employees. Nor does it include an officer or member of the board of the Policyholder who does not otherwise meet the definition of an "Active, Full-Time Employee".

"Full-time" means an employee must be: (1) Scheduled to work for the Policyholder at least [#] hours each week; and (2) On the regular payroll of the Policyholder for that work. "Active work" is work performed as an Active, Full-Time Employee. "Actively at work" means being engaged at active work.

Definitions**"Accelerated Benefit"**

When diagnosed as having a terminal condition (which is a medically determinable condition with no reasonable prospect of cure, which can be expected to result in death within 12 months), the Insured or his or her legal representative may request a lump-sum accelerated death benefit payable once during the lifetime of the Insured. The death benefit will be reduced by the amount withdrawn. In order to be eligible for this benefit, the Insured must have been continuously covered for at least one year under the Policy prior to sustaining a terminal condition, or covered under the Policy from the Certificate Date. Check with your tax advisor or attorney before exercising this option. The amount of benefit under the accelerated benefits provision is set out in the Policy.

[¹ Short term disability benefits begin on the [#st] day of disability due to accidental injury, the [#th] day of disability due to sickness, [or the [#st] day of disability if confined to a hospital] and are payable for a maximum of [#] weeks.]]

“Accidental Death
and Dismemberment
(AD&D)”

Accidental Death and Dismemberment (AD&D) insurance provides specified benefits for covered accidental bodily injury that directly causes dismemberment (e.g., the loss of a hand, foot, or eye). In the event that death occurs from a covered accident, both the life and the AD&D benefit would be payable. If the Insured dies as a result of a covered auto accident while wearing a seat belt, the benefit payable will be increased by the lesser of: (1) 100% of the Principal Sum; or (2) \$10,000.

“Conversion”

If an Insured is no longer eligible for part or all of the basic term life benefit provided by the Policy [or an enrolled dependent is no longer eligible for dependent life coverage], such Insured [or enrolled dependent, as applicable,] is entitled to apply to QualChoice for an individual policy of life insurance, without submitting evidence of insurability. The Insured [or enrolled dependent, as applicable,] must apply for conversion coverage and pay the first premium for such individual life policy within 31 days following termination or reduction of the basic term life benefit under the Policy. Such individual life policy will become effective on the first day following the end of such 31 day period. The amount of benefit under such individual life policy is set out in the Policy.

[“Dependent Life”

Coverage is provided to the Insured (or the Insured’s estate if the Insured is no longer alive) upon the death of a covered dependent. Coverage is provided for the time period that the covered dependent is eligible and premium is paid. The Insured must enroll the individual eligible to be a covered dependent. An individual is eligible to be a covered dependent if s/he is: (1) The Insured’s spouse, if not legally separated from the Insured, or (2) An unmarried child (including any stepchild, legally adopted child or foster child) of the Insured who is: (A) At least 14 days old and under 19 years of age; and (B) Depends on the employee for the major part of his or her support. The age limit is raised to under 23 years if the child is in school as a full-time student and financially dependent upon the Insured. The amount of benefit under the dependent life benefits provision is set out in the Policy. There is no cash value associated with this product.]

[“Earnings”

Means the Insured’s rate of earnings from the Policyholder in effect immediately prior to the date a claim begins. It does not include bonuses, overtime pay and other extra compensation other than commissions. Commissions will be averaged over the 12 month period prior to the date a claim begins.]

[“Short Term Disability”

Coverage is provided when an Injury or Sickness (both as defined in the Policy) causes the Insured to be Totally Disabled beyond the Elimination Period. The Elimination Period is the number of consecutive days as shown in the Policy the Insured must be Totally Disabled (as defined in the Policy) before benefits become payable. The amount of benefit under the short term disability benefits provision, set out in the Policy, is subject to a Maximum Benefit Period as reflected in the Policy.]

“Term Life”

Coverage is provided to the designated beneficiary upon the death of the Insured. Coverage is provided for the time period that the Insured is eligible and premium is paid. There is no cash value associated with this product.

QualChoice is committed to providing better customer support. That includes making it easy for you to contact us.
You are always welcome to call us with any questions or concerns.

QualChoice Life and Health Insurance Company, Inc.
The QualChoice Building
12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211

Website Address:
www.qualchoice.com

Our Customer Service Department can be reached:
Toll Free at (800) 235-7111
Locally at (501) 228-7111

If we fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201
(501)371-2640 or (800) 852-5494



QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.

12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211
(501) 228-7111

**BASIC TERM LIFE / ACCIDENTAL DEATH AND DISMEMBERMENT
[and SHORT TERM DISABILITY POLICY]
RENEWAL AT OPTION OF QUALCHOICE LIFE
(NON-PARTICIPATING)**

QualChoice Life and Health Insurance Company, Inc. ("QualChoice Life") certifies that it has issued the group insurance policy shown below (referred to in this certificate as the "Policy") and, subject to the terms of that Policy you, the Insured, are eligible.

This certificate is merely evidence of your insurance under the Policy, and all matters pertaining to such insurance are subject to the terms and conditions of the Policy. This certificate replaces any certificate previously issued to the employee by Companion Life under the Policy.

| Policy Number: [] [Certificate Number: []]

Policyholder: [ABC Company
125 N. Main Street
Any City, USA]

| CERTIFICATE DATE: [] [INSURED EMPLOYEE: []]

SCHEDULE OF BENEFITS

BASIC TERM LIFE: [[\$]] DEPENDENT LIFE: [\$]

| Alternate
[#]% of Annual Earnings Up To A Maximum of \$[#]

AD&D PRINCIPAL SUM: [\$]

DEPENDENT INSURANCE:

<u>CLASSIFICATION</u>	<u>AMOUNT OF INSURANCE</u>
<u>Spouse</u>	<u>[\$]</u>
<u>Children</u>	
<u>At least 14 days but less than 6 months of age</u>	<u>[\$]</u>
<u>At least 6 months of age but less than [xxxxx] years of age</u>	
<u>([xxxxxxx] years, if unmarried, full-time student)</u>	<u>[\$]</u>
<u>Unmarried, full-time student</u>	<u>[\$]</u>

[SHORT TERM DISABILITY: [\$ Per Week]]

[Each of the amount of Basic Term Life insurance and the principal sum for accidental death and dismemberment insurance shall reduce by 35% at age 65, 50% at age 70, and then 70% at age 75. Benefits terminate at retirement.

Disability benefits begin on the [1st] day of disability due to accidental injury, the [8th] day of disability due to sickness, [or the [1st] day of disability if confined to a hospital] and are payable for a maximum of [26] weeks.]

PLEASE READ YOUR CERTIFICATE CAREFULLY.

QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.



Michael E. Stock
President & CEO

IMPORTANT QUALCHOICE CONTACT INFORMATION

QualChoice is committed to providing better customer support. That includes making it easy for you to contact us. You are always welcome to call us with any questions or concerns.

QualChoice Life and Health Insurance Company, Inc.
The QualChoice Building
12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211

Website Address:

www.qualchoice.com

Our Customer Service Department can be reached:

Toll Free at (800) 235-7111

Locally at (501) 228-7111

If we at QualChoice Life and Health Insurance Company, Inc. fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201
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SCHEDULE OF BENEFITS	1
1. ACTIVELY AT WORK PROVISION	6
1.1 "Active, Full-Time Employee"	6
1.2 "Full-time"	6
1.3 "Active work" is work performed as an active, full-time employee. "Actively at work"	6
2. DEFINITIONS	6
2.1 "Total Disability" or "Totally Disabled"	6
2.2 "Schedule of Benefits"	6
2.3 "Insured"	6
2.4 "The date the Insured retires" or "retirement"	6
2.5 "Physician"	6
[2.6 "Earnings"]	6
[2.7 "Insured Dependent"]	7
3. TERM LIFE INSURANCE BENEFIT	7
3.1 CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY	7
3.1.1 EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT	7
3.1.2 WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT	7
3.1.3 AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED	7
3.2. CONVERSION	7
3.2.1 RIGHT TO CONVERT	7
3.2.2 AMOUNT TO CONVERT	8
3.3 SUICIDE EXCLUSION	8
3.4 THE ACCELERATED BENEFITS PROVISION	8
3.4.1 THE BENEFIT	8
3.4.2 TAX TREATMENT	9
3.4.3 DEFINITION OF TERMINAL CONDITION	9
3.4.4 ELIGIBILITY REQUIREMENTS	9
3.4.5 EFFECTIVE DATE OF THE ACCELERATED BENEFITS	9
3.4.6 EXCLUSIONS AND LIMITATIONS	9
3.4.7 CONVERSION	9
3.4.8 REDUCTIONS	9
3.4.9 FREQUENCY	9
3.4.10 TERMINATION	10
4. ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT	10
4.1. LOSSES	10
4.2 ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS	10
4.3 SEAT BELT BENEFIT	11
4.4 CONDITIONS	11
4.5 EXCLUSION	11
4.6 DEFINITION	11
4.7 PAYMENT OF BENEFITS	11
[5. DEPENDENT LIFE INSURANCE BENEFIT	11
5.1 DEPENDENT DEFINED	11
5.2 ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE	12
5.3 REQUIREMENTS FOR DEPENDENT INSURANCE	12
5.4 EFFECTIVE DATE OF DEPENDENT INSURANCE	12
5.5 SCHEDULE OF DEPENDENT INSURANCE	12
5.6 WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT	13
5.7 WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT	13
5.8 TERMINATION OF DEPENDENT INSURANCE	13
5.9 LOSS OF DEPENDENT STATUS	13
5.10 DEATH BENEFIT	13

5.11	CONVERSION PRIVILEGE	13
5.12	TYPE OF CONVERSION POLICY AVAILABLE	14
5.13	EFFECTING A CONVERSION PRIVILEGE	14
5.14	CONVERSION POLICY PREMIUM RATE]	14
6.	BENEFICIARY AND SETTLEMENT OPTIONS	14
6.1	BENEFICIARY DESIGNATION	14
6.2	CHANGE OF BENEFICIARY	14
6.3	CONSENT OF BENEFICIARY	14
6.4	PREFERENTIAL BENEFICIARY	15
6.5	MINOR BENEFICIARY	15
6.6	MORE THAN ONE BENEFICIARY	15
6.7	NO BENEFICIARY	15
6.8	SETTLEMENT OPTIONS	15
6.9	ASSIGNMENT	15
[7.	SHORT TERM DISABILITY BENEFIT (THIS IS AN OPTIONAL BENEFIT.)	15
7.1	WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS	15
7.2	TOTAL DISABILITY BENEFIT - INJURY	16
7.3	TOTAL DISABILITY BENEFIT - SICKNESS	16
7.4	MAXIMUM BENEFIT PERIOD	16
7.5	RECURRENT DISABILITY	16
7.6	LIMITATIONS	16
7.7	PARTIAL DISABILITY BENEFIT	16
7.8	TERMINATION OF TOTAL DISABILITY BENEFIT	17
7.9	PARTIAL DISABILITY BENEFIT CALCULATION	17
7.10	TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION	17
7.12	TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT	17
8.	CHANGE OF CLASS OR EARNINGS	17
9.	WHEN INDIVIDUAL INSURANCE BEGINS	18
10.	WHEN INDIVIDUAL INSURANCE ENDS	18
11.	CLAIM PROVISIONS	18
11.1	NOTICE OF CLAIM	18
11.2	CLAIM FORMS	18
11.3	PROOFS OF LOSS	18
11.4	PAYMENT OF CLAIMS	18
11.5	TIME OF CLAIM PAYMENT	18
11.6	PHYSICAL EXAMINATIONS AND AUTOPSY	18
11.7	LEGAL ACTIONS	19
12.	GENERAL PROVISIONS	19
12.1	MISSTATEMENT OF AGE	19
12.2	EMPLOYEE ELIGIBILITY	19
12.3	DUAL COVERAGE PRECLUDED	19
12.4	ERISA	19
12.5	SPENDTHRIFT CLAUSE	19
12.6	RECORDS AND ESSENTIAL DATA	19
12.7	ALLOCATION OF AUTHORITY	19

1. ACTIVELY AT WORK PROVISION

1.1 **"Active, Full-Time Employee"** means an employee who performs all of the duties of his or her job with the Policyholder. This job may be at either:

1. The Policyholder's normal place of employment; or
2. At some other place to which the regular business operations of the Policyholder require that person to go.

An "Active, Full-Time Employee" does not include, however, temporary or seasonal employees. Nor does it include an officer or member of the board of the Policyholder who does not otherwise meet the definition of an "Active, Full-Time Employee".

1.2 **"Full-time"** means an employee must be:

1. Scheduled to work for the Policyholder at least [##] hours each week; and
2. On the regular payroll of the Policyholder for that work.

1.3 **"Active work"** is work performed as an active, full-time employee. "Actively at work" means being engaged at active work.

2. DEFINITIONS

2.1 **"Total Disability" or "Totally Disabled"** means any disability that:

1. Begins while the Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

2.2 **"Schedule of Benefits"** means the description of benefits set forth on the face page of this certificate.

2.3 **"Insured"** means an eligible employee who is insured under the Policy.

2.4 **"The date the Insured retires" or "retirement"** means the effective date of the Insured's:

1. Retirement pension benefits under any plan of a federal, state, county or municipal retirement systems, if such pension benefits include any credit for employment with the Policyholder;
2. Retirement pension benefits under any plan which the Policyholder sponsors, or makes or has made contributions; or
3. Retirement benefits under the United States Social Security Act of 1935, as amended, or under any similar plan or act.

2.65 **"Physician"** means a medical doctor or surgeon licensed to render services in accordance with the laws of the state where such services are rendered. The term "physician" will also include a licensed medical practitioner whose services are required by law to be recognized on the same basis as if they had been performed by a licensed medical doctor. Such practitioner must be acting within the scope of his or her license. Physician does not include the Insured or a member of the Insured's immediate family (spouse, daughter, son, father, mother, sister, or brother).

[2.76 **"Earnings"** means the Insured's rate of earnings from the Policyholder in effect immediately prior to the date a claim begins. It does not include bonuses, overtime pay and other extra compensation other than commissions. Commissions will be averaged over the 12 month period prior to the date a claim begins.]

[**2.87** "Insured Dependent" means an Insured's eligible spouse and/or child(ren) who are insured under the Policy, if the Policy provides Dependent Life Insurance.]

3. TERM LIFE INSURANCE BENEFIT

If an Insured dies while insured under the Policy, QualChoice Life will pay the applicable Basic Term Life Insurance Benefit shown in the Schedule of Benefits.

3.1 CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY

3.1.1 EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT

In the event of termination of employment, a death benefit will be paid if the Insured dies while Totally Disabled provided that the disability:

1. Began while the person was both insured under the Policy and under age 60;
2. Has been continuous until death; and
3. Began within 12 months of the date of death.

3.1.2 WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT

If an Insured becomes Totally Disabled prior to age 60, QualChoice Life will waive premium for the Basic Term Life Insurance Benefit. The waiver of premium will begin on the first of the month following 12 consecutive months of Total Disability. The Insured must file written notice within 12 months after the date of Total Disability to be eligible for this benefit.

With respect to the Insured, this Waiver of Premium Benefit shall end on the earliest of the following:

1. On the date the Insured's Total Disability ends;
2. On the 91st day after QualChoice Life requests proof of continuous Total Disability, provided the Insured fails to furnish QualChoice Life with such proof during such 91 day period;
3. On the Premium Due Date immediately prior to the Insured's 65th birthday;
4. On the effective date of any individual life insurance policy obtained in accordance with Part 2, Right to Convert; or
5. On the date the Insured retires.

3.1.3 AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED

The Basic Term Life Insurance Benefit which is continued during Total Disability is the applicable amount of Basic Term Life Insurance in force as to the Insured on the date such Insured's Total Disability begins (subject to any reductions shown in the Schedule of Benefits).

This Continuation of Basic Term Life Insurance Benefit during Total Disability does not apply to the Accidental Death and Dismemberment Benefit.

3.2. CONVERSION

3.2.1 RIGHT TO CONVERT

~~3.2.1~~—If an Insured is no longer eligible for part or all of the Life Insurance Benefit provided by the Policy, such Insured is entitled to apply to QualChoice Life for an individual policy of life insurance, without submitting evidence of insurability provided:

1. The policy applied for:
 - A. Is a type of individual life policy, other than term or universal life, then being issued by QualChoice Life; and
 - B. Does not include Accidental Death and Dismemberment [, Short Term Disability or other

- Supplemental benefits]; and
- 2. The amount of life insurance applied for under such individual life policy is in accordance with Section 3.2.2 ("Amount to Convert") below; and
- 3. The Insured agrees to pay the premium for such individual life policy. The premium will be based on the following, as of the effective date of such individual life policy;
 - A. QualChoice Life's usual rate for the amount and type of individual life policy; and
 - B. The Insured's attained age; and
- 4. The Insured applies and pays the first premium for such individual life policy within 31 days following termination or reduction of the Life Insurance Benefit under the Policy. Such individual life policy will become effective on the first day following the end of such 31 day period.

3.2.2 AMOUNT TO CONVERT

This conversion privilege is allowed for the Term Life Insurance that ceases for the following reasons:

- 1. The Insured may convert all or part of the amount of Life Insurance Benefit the Insured is no longer eligible due to:
 - A. Reductions resulting from attainment of a specific age, as shown in the Schedule; or
 - B. Loss of the individual eligibility.
- 2. If the Insured has been insured under the Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured is no longer eligible due to:
 - A. Termination of the Policy;
 - B. Termination of the class of Insureds to which the Insured belongs; or
 - C. Reduction of benefits for the class of Insureds to which the Insured is a member:
 - (i) \$10,000, or
 - (ii) All or part of the amount for which the Insured is no longer eligible. This amount will be reduced by the amount of any life insurance for which the Insured becomes eligible to receive under a group policy issued or reinstated by QualChoice Life or any other insurer during the thirty-one day period immediately following termination of insurance under the Policy.

If the Insured dies during the conversion period, the maximum amount of Term Life Insurance which the Insured would have been entitled to have issued shall be payable as a claim under the Policy, whether or not application for the individual policy or the payment of the first premium has been made.

The rights or benefits granted under this provision are in lieu of any other rights or benefits granted under the Policy.

3.3 SUICIDE EXCLUSION

With respect to the Life Insurance Benefit, in the event an Insured, while sane or insane (in Missouri while sane), dies from intentionally self-inflicted injuries or any attempts thereat, within two years from the effective date of coverage, QualChoice Life's liability shall be only to return premiums paid under the Policy as to such Insured.

The Suicide Exclusion will not apply to the Insured who:

- 1. Is actively at work on the effective date of the Policy; and
- 2. Was insured for Group Life Insurance under the prior carrier's policy on its termination date.

3.4 THE ACCELERATED BENEFITS PROVISION

3.4.1 THE BENEFIT

The Insured with a medically determined terminal condition would be eligible to receive the following accelerated benefit:

Fifty percent (50%) of the Basic Term Life Insurance benefit in effect on the Insured's last day of active work up to a maximum insured amount of \$100,000. The maximum payable under this benefit is \$50,000.

An "Accelerated Benefit" covered under the Policy is a benefit payable:

- 1. To the Insured if, during his or her lifetime, the Insured sustains a terminal condition, as defined in this

- provision, the Insured or his or her legal representative may request a lump-sum accelerated death benefit payable once during the lifetime of the Insured;
2. Which reduces the death benefit otherwise payable under the Policy; and
 3. Which is payable upon the occurrence of a single qualifying event which results in the payment of a benefit amount fixed at the time of acceleration.

3.4.2 TAX TREATMENT

Benefits paid under this provision may be taxable. The Insured or his or her beneficiary may incur a tax obligation. As with all tax matters, an Insured should consult with his or her personal tax advisor and/or attorney.

3.4.3 DEFINITION OF TERMINAL CONDITION

"Terminal Condition" means that the Insured has a medically determinable condition with no reasonable prospect of cure, which can be expected to result in death within 12 months of the date of disability. The proof of Terminal Condition satisfactory to QualChoice Life must be certified by the Insured's attending physician and one other physician.

QualChoice Life reserves the right to have the Insured examined at its expense by one or more physicians of its choice in connection with a request for Accelerated Death Benefit for Terminal Condition.

3.4.4 ELIGIBILITY REQUIREMENTS

All eligible Active Full Time Employees who have been covered under the Basic Term Life Insurance are eligible for the Accelerated Benefit. The benefit terminates at the earliest of:

1. When the Insured's Basic Term Life terminates;
2. At attained age 70; or
3. At retirement from employment.

In order to be eligible for this benefit, the Insured must have been continuously covered for at least one year under the Policy prior to sustaining a terminal condition, or covered under the Policy from the Policy Effective Date.

3.4.5 EFFECTIVE DATE OF THE ACCELERATED BENEFITS

The Accelerated Benefit provision shall be effective for accidents on the Policy Effective Date. The Accelerated Benefit provision shall be effective for illness thirty (30) days following the Policy Effective Date.

3.4.6 EXCLUSIONS AND LIMITATIONS

The Accelerated Benefit will not apply:

1. To any self inflicted injuries or suicide attempts;
2. To any [Supplemental Term Life Insurance benefits, including Dependent Life, nor to any] Accidental Death and Dismemberment benefits;
3. If an Insured is totally disabled on his or her Effective Date of coverage;
4. To a Basic Term Life Insurance benefit that has been assigned;
5. To a Basic Term Life Insurance benefit payable to an irrevocable beneficiary;
6. To a Basic Term Life Insurance benefit with a face amount of less than \$10,000; nor
7. If the required Basic Term Life Insurance premium is due and unpaid.

3.4.7 CONVERSION

The amount of Basic Term Life Insurance that may be converted is the Insured's Basic Term Life Insurance reduced by the Accelerated Benefit amount paid.

3.4.8 REDUCTIONS

If a benefit reduces in accordance with a reduction provision the total amount payable to the Insured will not be affected by the advanced payment.

3.4.9 FREQUENCY

Only one Accelerated Benefit payment will be made to an Insured.

3.4.10 TERMINATION

This Accelerated Benefits provision will terminate for the Insured on the earliest of the following dates:

1. The date the Policyholder terminates coverage under the Policy;
2. The date the Policy terminates;
3. The date the Insured retires;
4. The date the Insured dies;
5. The date the Insured receives an Accelerated Benefit payment; or
6. The date the Insured continues coverage under the Conversion Provisions of the Policy.

4. ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

4.1. LOSSES

If an Insured suffers any of the following losses, QualChoice Life will pay the indicated percentage of the Principal Sum, provided such loss:

1. Results from Injury and independently of all other causes, which Injury is caused by an accident that occurs while this benefit is in force as to the Insured; and
2. Occurs within 90 days of that accident. The Principal Sum is shown in the Schedule of Benefits.

Loss of Life	100%
Loss of Both Hands or Both Feet	100%
Loss of Entire Sight of Both Eyes	100%
Loss of One Hand and One Foot	100%
Loss of One Hand and the Entire Sight of One Eye	100%
Loss of One Foot and the Entire Sight of One Eye	100%
Loss of One Hand or One Foot	50%
Loss of Entire Sight of One Eye	50%

"Loss" as above used means:

1. With reference to hand or foot, complete loss of the use of the hand, or foot; and
2. With reference to eye, irrecoverable loss of the entire sight thereof.

If the Insured suffers more than one of the above losses as a result of the same accident, the benefit provided under this provision will be paid only for the greatest loss.

If loss of Life results while an Insured was riding as a fare-paying passenger in or upon a public conveyance being operated by a licensed common carrier for passenger service, the Accidental Death benefits provided under the Policy will be increased. The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$100,000.

4.2 ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS

The Policy does not provide benefits for any loss caused by or resulting from:

1. Declared or undeclared war or any act of war;
2. Service in the armed forces of any country or international authority;
3. Suicide or intentionally self - inflicted injury whether the Insured was sane or insane (in Missouri while sane) at the time of the suicide or injury;
4. Flying in an aircraft owned, operated, leased or chartered by the Policyholder;
5. Participation in, or in consequence of having participated in, the commission of any felony;
6. Sickness or disease, ptomaine or bacterial infection (except infections occurring through an accidental cut or wound); or
7. Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug, alcohol or any combination of these when not part of a professional medical treatment plan.

The Accidental Death and Dismemberment Benefit is not available to Insured Dependents.

4.3 SEAT BELT BENEFIT

The Accidental Death benefits provided under the Policy will be increased if, as a result of driving or riding in a private passenger automobile, the Insured dies as a result of an automobile accident.

The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$10,000.

4.4 CONDITIONS

QualChoice Life must receive proof that:

1. The Insured was insured for Accidental Death and Dismemberment benefits under the Policy; and
2. According to the official vehicle accident report, the Insured was wearing a properly installed seat belt or lap and shoulder restraint, or any other National Highway Traffic Safety Administration approved restraint at the time of the accident.

4.5 EXCLUSION

This additional benefit will not be paid if:

1. The Insured was driving while impaired by alcohol or drugs; or
2. The driver of the automobile in which the Insured was riding was driving while impaired by alcohol or drugs.

4.6 DEFINITION

A **"private passenger automobile"** is a four-wheel private passenger car, station wagon, van, truck or jeep-type automobile. It is not:

1. A taxi, bus or any other vehicle being used for public conveyance;
2. Used in off-road activities; or
3. Used in testing racing or endurance contests, either amateur or professional.

4.7 PAYMENT OF BENEFITS

Upon receipt of due proof of loss, the Accidental Death and Dismemberment benefit will be paid to the Insured, if living; otherwise, to the beneficiary.

All Claim Provisions and Beneficiary and Settlement Provisions apply to this coverage.

5. DEPENDENT LIFE INSURANCE BENEFIT

5.1 DEPENDENT DEFINED

An **"eligible dependent"** is any one of these family members:

1. The Insured's spouse, if not legally separated from the Insured;
2. Each unmarried child (including any stepchild, legally adopted child or foster child) of the Insured who is:
 - A. At least 14 days and under 19 years of age; and
 - B. Depends on the employee for the major part of his or her support.

However, the age limit is raised to under 23 years if the child is in school as a full-time student and financially dependent upon the Insured.

An eligible dependent will not include anyone who:

1. Is eligible for Employee Insurance; or
2. Is entitled to any extended coverage under the Policy by reason of having been an employee of the Policyholder.

If both husband and wife are Insureds, their children will be covered as dependents of the husband or wife, but not of

both.

5.2 ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE

An Insured will be eligible for Dependent Insurance on the first day on which he or she:

1. First enters a class that provides Dependent Insurance; and
2. First gains a dependent. This will include gaining a dependent after a time without one.

5.3 REQUIREMENTS FOR DEPENDENT INSURANCE

1. An Insured must enroll for Dependent Insurance that is shown to be contributory in the Product Selection and Sold Rate Form for the coverage to become effective.
2. In the case of a special enrollment period which applies when one of the events listed below occurs, submission by the Insured to QualChoice Life through the Policyholder of a completed Enrollment Application allows a special enrollment of a dependent as long as it is sent to QualChoice Life within thirty (30) days of the occurrence of one of the following events:
 - A. Birth;
 - B. Adoption;
 - C. Marriage;
 - D. Addition of step-children; or
 - E. Permanent legal custody of a Child.
3. Deferral Rule - To effect new coverage on a dependent the following rule will apply:

The new coverage will be deferred for a dependent if he or she is confined in a medical care unit when it is due to take effect. In this case, the new coverage will take effect on the first day that the dependent is free from confinement.

For the purposes of this Deferral Rule, "**medical care unit**" means:

- A. A licensed general hospital; or
- B. A unit that treats one or more specific ailments; or
- C. Any type of convalescent or skilled nursing care facility.

This deferral rule does not apply to a newborn child upon reaching the minimum age if:

- A. On that date the child is hospital confined; and
- B. Has been continuously so confined since birth.

5.4 EFFECTIVE DATE OF DEPENDENT INSURANCE

An Insured's Dependent Insurance will take effect on the first day of the Policy Month that coincides with or next follows the date that:

1. The Eligibility Requirement is met; and
2. At least one dependent will become covered.

5.5 SCHEDULE OF DEPENDENT INSURANCE

The amount of coverage is shown in the Schedule of Benefits.

CLASSIFICATION	AMOUNT OF INSURANCE
Spouse	[\$]
Children	
At least 14 days but less than 6 months of age	\$100
At least 6 months of age but less than [xxxxx] years of age	
([xxxxxxx] years, if unmarried, full time student)	[\$]
Unmarried, full time student	[\$]

The insurance amount for an Insured's spouse or child may not exceed 50% of the Insured's amount of life insurance under the Policy.

5.6 WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT

The effective date of increases in a benefit amount is subject to the Deferral Rule. The effective date of a benefit decrease is not subject to the Deferral Rule.

A dependent will be covered for a change in the amount of an in force benefit as follows:

1. Benefit Change Due to Change in Age. The change takes effect on the first day of the Policy Month that coincides with or next follows the date of the age change.
2. Benefit Change Due to Change in Employee's Benefit Amount. The change takes effect on the same day as the change in the Insured's personal coverage.

5.7 WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT

Subject to the Deferral Rule, a dependent will first be covered for a newly acquired benefit from the date that:

1. The person is an eligible dependent and eligible for the new benefit;
2. The Insured has enrolled for Dependent Insurance; and
3. The enrollment requirements of the Policy are met for that benefit.

5.8 TERMINATION OF DEPENDENT INSURANCE

Dependent Insurance of an Insured will terminate on the earliest of:

1. The first day of the Policy Month that coincides with or next follows the date of the Insured's death;
2. The date that the Insurance of an Insured terminates;
3. The date Dependent Insurance benefits are discontinued under the Policy;
4. The date the Insured's class changes to one that does not provide Dependent Insurance benefits;
5. The beginning of the period for which premium is not paid as to the Insured Dependent;
6. The Premium Due Date immediately prior to the Insured Dependent Child's 19th birthday (23rd birthday, if attending school on a full-time basis), marriage or entry into the armed forces; or
7. For contributory coverage only, the end of the last period for which a premium charge has been paid if the next premium charge is not paid when due.

5.9 LOSS OF DEPENDENT STATUS

Dependent Insurance will cease for a person on the date that he or she is no longer an eligible dependent.

5.10 DEATH BENEFIT

QualChoice Life will pay a death benefit as shown in items 1. or 2. upon receipt of proof of death. It will be paid to the Insured if living at the time of payment; otherwise, it will be paid to the Insured's estate.

1. Death Benefit While the Dependent is Covered - When a person who is covered as a dependent dies, QualChoice Life will pay a death benefit. This benefit will be the amount of Dependent Term Life Insurance in force on that person's life at time of death.
2. Death Benefit During the Conversion Period - A death benefit will be paid if a dependent dies:
 - A. Within 31 days after all or part of the Dependent Term Life Insurance for the dependent would otherwise have terminated; and
 - B. During the period the dependent would have been entitled to have a conversion policy issued under the terms of the Conversion Privilege.

The death benefit will be the amount of Dependent Term Life Insurance that could have been converted for the dependent.

5.11 CONVERSION PRIVILEGE

This conversion privilege is allowed for the Dependent Term Life Insurance that ceases as described in items 1. and 2. below. This privilege must be exercised by the Insured Dependent unless legally unable to make a valid contract. In that case, the application must be made by the Insured, if living, or otherwise by the legal guardian of the Insured Dependent.

1. The Insured Dependent may convert all or part of the amount of insurance that ceases due to:

- A. Provisions of the Product Selection and Sold Rate Form; or
- B. Loss of eligibility.

However, no conversion is allowed for life insurance which stops solely due to non-payment of contributions.

- 2. If the Insured Dependent has been insured under the Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured Dependent is no longer eligible due to:
 - A. Termination of the Policy;
 - B. Termination of the Policyholder's coverage under the Policy; or
 - C. Amendment of the Policy to terminate the Dependent Term Life Insurance under the Insured's Eligible Class.

The amount that may be converted if the Insured Dependent is no longer eligible due to one of the reasons listed above is the lesser of:

- (i) \$10,000; or
- (ii) All or part of the amount that ceases. This amount is reduced by any new dependent life insurance for which the Insured becomes eligible under any other group policy issued within 31 days of termination under the Policy.

5.12 TYPE OF CONVERSION POLICY AVAILABLE

A conversion policy will be one of the kinds of individual life insurance policies, other than term or universal life insurance, then being issued by the Company. The conversion policy will not include accidental death, disability or other supplementary benefits. It will be issued without evidence of insurability.

5.13 EFFECTING A CONVERSION PRIVILEGE

A conversion policy will take effect at the end of 31 days after insurance termination. To convert, the person requesting conversion must submit the following to the Company within that 31 day period:

- 1. Written application; and
- 2. The first premium payment.

5.14 CONVERSION POLICY PREMIUM RATE

The premiums for the conversion policy will be at:

- 1. QualChoice Life's usual rates for its type and amount;
- 2. The dependent's class of risk; and
- 3. The dependent's age last birthday as of its effective date.

6. BENEFICIARY AND SETTLEMENT OPTIONS

6.1 BENEFICIARY DESIGNATION

The beneficiary or beneficiaries of an Insured shall be that person or persons indicated on the Insured's individual application for insurance. This application will be filed with the Policyholder. The beneficiary of an Insured Dependent, if the Policy provides Dependent Life Insurance, shall be the Insured.

6.2 CHANGE OF BENEFICIARY

Unless the Insured has made an irrevocable assignment of benefits, the beneficiary may be changed by sending a written request to the home office of QualChoice Life. When such request is received by QualChoice Life, the change of beneficiary shall take effect as of the date of execution of the written request, but without prejudice to QualChoice Life on account of any payment previously made by QualChoice Life.

6.3 CONSENT OF BENEFICIARY

If the Insured does initially name the spouse as beneficiary, QualChoice Life will require written consent of the spouse to name or change the beneficiary in community property states.

6.4 PREFERENTIAL BENEFICIARY

If the Insured has died and no beneficiary is living or named, QualChoice Life may, at its option, pay the benefits to the Insured's estate or to the surviving relatives of the Insured, specifically, the Insured's:

1. Spouse;
2. Child or children;
3. Parent(s);
4. Brothers and sisters; or
5. Executors or administrators.

QualChoice Life will not be liable to the extent of any payment so made, unless it receives written notice of a valid claim by some other person before payment is made.

6.5 MINOR BENEFICIARY

If the beneficiary is a minor or, in the opinion of QualChoice Life, is not able to give valid release for any payment due, QualChoice Life may, at its option and until claim is made by the duly appointed guardian, pay the benefit to the person or entity who appears to have assumed the care and support of the beneficiary. [Benefits in this event will be made in monthly payments of not more than \$50 each.]

QualChoice Life will not be liable to the extent of any payment so made in good faith.

6.6 MORE THAN ONE BENEFICIARY

If the Insured has named more than one beneficiary, the applicable amount of insurance shall be paid to the beneficiaries who survive the Insured, in equal share, unless the Insured has specified a different proportion.

6.7 NO BENEFICIARY

If the beneficiary predeceases the Insured or if the Insured does not designate a beneficiary, then the applicable amount of life insurance will be paid to the estate of the Insured.

6.8 SETTLEMENT OPTIONS

An Insured may elect or change a settlement option by filing a written request with QualChoice Life. The settlement options available will be those offered by QualChoice Life when the option is chosen. If an Insured does not request a settlement option, the beneficiary may do so after the Insured's death.

6.9 ASSIGNMENT

1. The Insured may make an irrevocable assignment of interest under the Policy. The assignment:
 - A. Must be made in writing on a form approved by QualChoice Life;
 - B. Must be an absolute assignment that transfers all rights except those of an irrevocably named beneficiary; and
 - C. Must not be a collateral assignment.
2. Assignment of interest conveys all rights of ownership. These include the right to change the beneficiary, receive payment of claims and assign the insurance.
3. QualChoice Life is not responsible for the validity or results of the assignment.

[7. SHORT TERM DISABILITY BENEFIT (This is an optional benefit.)

7.1 WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS

"Elimination Period" means the number of consecutive days an Insured must be Totally Disabled before benefits become payable under the Policy. The Elimination Period is shown in the Schedule of Benefits.

"Injury" means bodily injury caused by an accident when:

1. The accident occurs while the Policy is in force as to the Insured;
2. The accident and Injury are not caused or contributed to by illness or disease; and
3. The Injury results directly and independently of all other causes in Total Disability which commences within 60 days of the accident. If the Injury results in Total Disability which commences more than 60 days following the date of the accident, Total Disability shall be deemed to be the result

of Sickness.

"Partial Disability" means the Insured:

1. Is able to do some but not all of the duties of his or her occupation; and
2. Is under the regular care and attendance of a licensed physician.

["Pre-existing Condition" means a condition:

1. Resulting from an Injury that occurred or a Sickness that began before the Insured's effective date of coverage under the Policy;
2. For which medical treatment or advice was received during the 6 month period immediately before the Insured's effective date of coverage under the Policy; and
3. That causes Total Disability while the Insured is insured under the Policy.]

"Sickness" means illness or disease which causes Total Disability that begins while the Insured is insured under the Policy.

"Total Disability" or "Totally Disabled" means any disability that:

1. Begins while the Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

7.2 TOTAL DISABILITY BENEFIT - INJURY

QualChoice Life will pay the benefits in the Schedule of Benefits, when an Injury causes the Insured to be Totally Disabled beyond the Elimination Period.

7.3 TOTAL DISABILITY BENEFIT - SICKNESS

QualChoice Life will pay the benefits in the Schedule of Benefits, when a Sickness causes the Insured to be Totally Disabled beyond the Elimination Period.

7.4 MAXIMUM BENEFIT PERIOD

The Maximum Benefit Period is shown in the Schedule of Benefits. Total and Partial Disability will be considered one period of Total Disability.

7.5 RECURRENT DISABILITY

While the Policy is in force as to the Insured, successive periods of Total Disability:

1. Resulting from the same or related Injury or Sickness; and
2. For which benefits had been paid under the Policy;

will be considered as one period of Total Disability under the Policy unless such periods of Total Disability are separated by at least 14 consecutive days, during which the Insured has returned to active, full-time work.

7.6 LIMITATIONS

The Policy will not pay benefits for any disability which:

1. Is not being continuously treated by a physician;
2. Is the result of Injury or Sickness that, in either case, arises out of work for wage or profit;
3. Is the result of an intentionally self-inflicted injury or a suicide attempt; and
4. Is due to alcoholism or drug dependency except while confined as a bed patient in a medical care facility.

7.7 PARTIAL DISABILITY BENEFIT

If the Insured returns to work on a part-time basis after a period of Total Disability, QualChoice Life will pay the Insured a Partial Disability Benefit. The Insured:

1. Must have received a Total Disability Benefit as provided by the Policy; and

2. Must be Partially Disabled as a result of the same Sickness or Injury that caused Total Disability.

7.8 TERMINATION OF TOTAL DISABILITY BENEFIT

QualChoice Life will stop paying a Total Disability Benefit on the earlier of the following dates:

1. The date the Insured ceases to be Totally Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached.

7.9 PARTIAL DISABILITY BENEFIT CALCULATION

To figure the amount of Partial Disability Benefit:

1. Determine the Total Disability Benefit as shown in the Schedule of Benefits;
2. Multiply the Insured's part-time weekly earnings by 50%; and
3. Subtract the amount determined in Step 2 above from the amount determined in Step 1.

The amount determined in Step 3 is the Partial Disability Benefit.

However, for a Partial Disability Benefit to be payable, the Insured's part-time weekly earnings may not exceed the Total Disability Benefit as shown in the Schedule of Benefits.

7.10 TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION

QualChoice Life will pay the benefits in the Schedule of Benefits for Pre-existing Conditions provided that Total Disability resulting from a Pre-existing Condition commences 12 months or more after the Insured's effective date of coverage under the Policy.

7.11 WAIVER OF PRE-EXISTING CONDITION LIMITATION

The "Pre-existing Condition Limitation" will not apply if the Insured:

1. Is actively at work on the effective date of the Policy; and
2. Was insured under the prior carrier's policy on its termination date.

7.12 TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT

QualChoice Life will stop paying a Total or Partial Disability Benefit on the earliest of the following dates:

1. The date the Insured ceases to be Totally or Partially Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached; or
3. The date the Insured's part-time weekly earnings exceed the Insured's Total Disability Benefit as shown in the Schedule of Benefits.]

8. CHANGE OF CLASS OR EARNINGS

If a change in an Insured's class or earnings would increase the amount of the benefits entitled to be received under the Policy, such increase in benefits will become effective on the Premium Due Date following such change, provided:

1. Notice of the change is given to QualChoice Life within 30 days of the change; and
2. Such increase in benefits does not exceed the Guarantee Issue Amount, stated in the Product Selection and Sold Rate Form.

If notice is not given within the required time or the increase in benefits would exceed the Guaranteed Issue Amount, stated in the Product Selection and Sold Rate Form, such increase in benefits:

1. Must be approved by QualChoice Life; and
2. Will become effective on the Premium Due date following QualChoice Life's approval.

If the Insured is not at work full-time due to Injury or Sickness on the date an increase in benefits is due to begin, such increase in benefits will not begin until the Insured returns to full-time work.

If a change in an Insured's class or earnings would decrease the amount of benefits entitled to be received under the Policy, such decrease in benefits will become effective on the Premium Due Date following the change.

9. WHEN INDIVIDUAL INSURANCE BEGINS

To become insured, eligible employees must make written application to QualChoice Life. Coverage will begin on the Premium Due Date, shown in the Product Selection and Sold Rate Form for benefits, following the date QualChoice Life approves the application. QualChoice Life may require evidence of insurability before approving the application.

If an eligible employee is not at full-time work due to an Injury or Sickness on the date insurance is due to begin, it will not begin until return to full-time work.

10. WHEN INDIVIDUAL INSURANCE ENDS

The insurance will end, with respect to an Insured, on the earliest of the following:

1. When the Policy is cancelled;
2. When the insurance is cancelled for the class of insureds to which the Insured belongs;
3. The beginning of the period for which premium is not paid as to the Insured; or
4. The date the Insured is no longer actively working on a Full-time basis in any class or classes insured under the Policy unless (and only with respect to the Basic Term Life Insurance Benefit, if provided by the Policy) the Continuation of Basic Term Life Insurance During Total Disability applies.

11. CLAIM PROVISIONS

11.1 NOTICE OF CLAIM

Written notice of claim must be given within 30 days after a covered loss begins, or as soon as reasonably possible. The notice may be given to QualChoice Life at P. O. Box 25610, Little Rock, Arkansas 72221. Notice should include information which identifies the Insured or Insured Dependent and the Policy.

11.2 CLAIM FORMS

When QualChoice Life receives notice of claim, forms for filing proof of loss will be sent to the claimant. If these forms are not sent within 15 days, the claimant will meet the proof of loss requirements if, within 90 days after the loss began, he or she gives QualChoice Life written proof of the nature and extent of the loss.

11.3 PROOFS OF LOSS

Written proof of loss must be given to QualChoice Life within 90 days after the loss begins. QualChoice Life will not deny nor reduce any claim if it was not reasonably possible to give QualChoice Life such proof in the time required. In any event, proof must be given to QualChoice Life within 1 year after it is due, unless the claimant is legally incapable of doing so. QualChoice Life has the right to require proof of the continuance of total disability at any time during the first two years after receipt of initial proof of total disability, and thereafter, once a year.

11.4 PAYMENT OF CLAIMS

Benefits provided by the Policy will be paid to the beneficiary determined in accordance with Section 6 ("Beneficiary and Settlement Options") of this certificate.

11.5 TIME OF CLAIM PAYMENT

Short Term Disability Benefit claims (if the Policy provides a Short Term Disability Benefit) will be paid weekly as of the dates required. Claims for other benefits will be paid not more than 30 days after receipt by QualChoice Life of written proofs of loss. If we fail to pay benefits within this 30-day period, the Insured is entitled to interest at the rate of 6 percent per year from the 60th day after receipt of due proof to the date of late payment.

11.6 PHYSICAL EXAMINATIONS AND AUTOPSY

QualChoice Life at its own expense will have the right and opportunity to have the Insured examined as often as reasonably necessary while a claim is pending. QualChoice Life at its own expense may have an autopsy made (during the period of contestability), unless prohibited by law. If the Insured fails to submit proof of continuing Total Disability when required; or fails to be examined medically when required, no further benefit will be provided for that Total Disability.

11.7 LEGAL ACTIONS

No legal action may be brought to recover on the Policy before 60 days after written proof of loss has been furnished, as required by the Policy. No such action may be brought after 6 years from the time written proof of loss is required to be furnished.

12. GENERAL PROVISIONS

12.1 MISSTATEMENT OF AGE

If an Insured's or Insured Dependent's age has been misstated, benefits payable for such Insured or Insured Dependent will be what the premium paid would have purchased at the correct age. This benefit will be subject to the applicable Policy maximums.

12.2 EMPLOYEE ELIGIBILITY

Active, Full-Time Employees of the Policyholder (Employer) who:

1. Are in a class of employees determined by conditions of employment, which is agreed upon as eligible by the Policyholder and QualChoice Life; and
2. Have been continuously employed during the minimum service period, as shown in the Product Selection and Sold Rate Form, immediately preceding their individual effective dates of insurance.

12.3 DUAL COVERAGE PRECLUDED

No person may be insured under the Policy as:

1. A dependent of more than one employee; or
2. Both an employee and a dependent.

12.4 ERISA

If this certificate is an integral part of an employee welfare benefit plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA), QualChoice Life is a claim fiduciary. As claim fiduciary, QualChoice Life shall have the discretionary authority to determine eligibility for benefits and to construe the terms of that part of the ERISA plan represented by this Contract. Any judicial review of a decision of QualChoice Life shall be conducted under the arbitrary and capricious standard of review with deference given to the claim fiduciary's decision.

12.5 SPENDTHRIFT CLAUSE

To the extent allowed by law, no benefit of the Policy is subject to the claim or legal process of a creditor of an Insured or a beneficiary.

12.6 RECORDS AND ESSENTIAL DATA

The Policyholder will keep a record of all Insureds. This record will contain all of the data that is specified by QualChoice Life.

12.7 ALLOCATION OF AUTHORITY

Except for those functions which the Policy specifically reserves to the Policyholder, QualChoice Life has full and exclusive authority to control and manage the Policy, to administer claims and to interpret the Policy and resolve all questions arising in the administration, interpretation and application of the Policy.

QualChoice Life's authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the group policy and any claim under it; and
3. The right to determine:
 - A. Eligibility for insurance;
 - B. Entitlement to benefits;
 - C. The amount of benefits payable; and
 - D. The sufficiency and the amount of information QualChoice Life may reasonably require to determine A, B, or C above.

Subject to the review procedures of the group policy, any decision QualChoice Life makes in the exercise of this authority is conclusive and binding.

Note To Filer

Linda Bird on 07/13/2011 07:45 AM

Filing re-opened

Filing has been re-opened in order for company to make corrections on the original submission.

SERFF Tracking Number: QUAC-127273808 State: Arkansas

Filing Company: QualChoice Life and Health Insurance Company, State Tracking Number: 49085
Inc.

Company Tracking Number:

TOI: L04G Group Life - Term Sub-TOI: L04G.500 Other

Product Name: QualChoice Life and Health Group Life Insurance

Project Name/Number: /

Form Schedule

Lead Form Number: QCLHIC Group Life/AD&D To Employer (7/2011)

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	QCLHIC Group Life/AD&D To Employer (7/2011)	Policy/Contract Life/AD&D To Employer Certificate	Basic Term Life/Accidental Death and Dismemberment [and Short Term Disability Policy]	Initial			Group 7.1.2011.pdf
	QCLHIC Group Life/AD&D To Insured (7/2011)	Policy/Contract Life/AD&D To Insured Certificate	Basic Term Life/Accidental Death and Dismemberment [and Short Term Disability Policy]	Initial			Employee 7.1.2011.pdf
	QCLHIC Group Life/AD&D Benefits Summary (7/2011)	Policy/Contract Life/AD&D Benefits Summary Certificate	Group Life and AD&D Insurance Summary of Benefits	Initial			Summary of Benefits Group Life and AD&D 7.1.2011.pdf



QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.

12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211
(501) 228-7111

BASIC TERM LIFE / ACCIDENTAL DEATH AND DISMEMBERMENT
[and SHORT TERM DISABILITY POLICY]
RENEWAL AT OPTION OF QUALCHOICE LIFE
(NON-PARTICIPATING)

Policyholder: [ABC Company] Date of Issue: [Insert]

Policy Number: [00-10000-00] Effective Date: [Insert]

State of Delivery: Arkansas Policy Anniversary: [Insert]

In consideration of the payment of the first premium, and of the statements and agreements in the Group Application for Coverage, Product Selection and Sold Rate Form and individual applications, if any, of the eligible employees, QualChoice Life and Health Insurance Company, Inc. (herein called QualChoice Life) agrees to insure eligible employees of the Policyholder (and their eligible dependents, if any and if this Policy provides Dependent Life Insurance). ("Eligible Employees" are defined in the General Policy Provisions section. "Eligible Dependents" are defined in the Dependent Life Insurance section, if applicable). QualChoice Life promises to pay benefits according to the terms of this Policy. The Group Application for Coverage and Product Selection and Sold Rate Form, copies of which will be provide to Policyholder, are made part of this Policy.

Subject to the Policyholder Provisions and the Incontestability Provisions, this Policy may be renewed for successive renewal periods by the payment of the premium set by us on each renewal date. The length of each renewal period will be set by QualChoice Life, but will not be less than 12 months.

This Policy is delivered in and governed by the laws of the State of Delivery named above. **PLEASE READ YOUR POLICY CAREFULLY.**

For purposes of effective dates and ending dates under this Policy, all days begin and end at 12:01 a.m. Standard Time at the Policyholder's address where the Policy is delivered.

QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.

A handwritten signature in black ink that reads "Michael E. Stock".

Michael E. Stock
President & CEO

IMPORTANT QUALCHOICE CONTACT INFORMATION

QualChoice is committed to providing better customer support. That includes making it easy for you to contact us. You are always welcome to call us with any questions or concerns.

QualChoice Life and Health Insurance Company, Inc.
The QualChoice Building
12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211

Website Address:

www.qualchoice.com

Our Customer Service Department can be reached:

Toll Free at (800) 235-7111

Locally at (501) 228-7111

If we at QualChoice Life and Health Insurance Company, Inc. fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201
(501)371-2640 or (800) 852-5494

1.	POLICY EFFECTIVE DATE AND TERM	6
2.	ACTIVELY AT WORK PROVISION.....	6
2.1	"Active, Full-Time Employee"	6
2.2	"Full-time".....	6
2.3	"Active work" is work performed as an active, full-time employee. "Actively at work"	6
3.	DEFINITIONS.....	6
3.1	"Total Disability" or "Totally Disabled"	6
3.2	"Group Application for Coverage and Product Selection and Sold Rate Form".....	6
3.3	"Schedule of Benefits".....	6
3.4	"Insured".....	6
3.5	"The date the Insured retires" or "retirement".....	6
3.6	"Physician".....	6
[3.7	"Earnings"].....	7
[3.8	"Insured Dependent"].....	7
4.	TERM LIFE INSURANCE BENEFIT	7
4.1	CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY.....	7
4.1.1	EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT.....	7
4.1.2	WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT.....	7
4.1.3	AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED.....	7
4.2	RIGHT TO CONVERT.....	7
4.2.1	AMOUNT TO CONVERT	8
4.3.	SUICIDE EXCLUSION.....	8
4.4.	THE ACCELERATED BENEFITS PROVISION	8
4.4.1	THE BENEFIT	8
4.4.2	TAX TREATMENT.....	9
4.4.3	DEFINITION OF TERMINAL CONDITION.....	9
4.4.4	ELIGIBILITY REQUIREMENTS.....	9
4.4.5	EFFECTIVE DATE OF THE ACCELERATED BENEFITS	9
4.4.6	EXCLUSIONS AND LIMITATIONS.....	9
4.4.7	CONVERSION.....	9
4.4.8	REDUCTIONS.....	10
4.4.9	FREQUENCY.....	10
4.4.10	TERMINATION	10
5.	ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT	10
5.1.	LOSSES.....	10
5.2	ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS	10
5.3	SEAT BELT BENEFIT	11
5.4	CONDITIONS.....	11
5.5	EXCLUSION.....	11
5.6	DEFINITION OF PRIVATE PASSENGER AUTOMOBILE	11
5.7	PAYMENT OF BENEFITS.....	11
[6.	DEPENDENT LIFE INSURANCE BENEFIT (THIS IS AN OPTIONAL BENEFIT.)	11
6.1	DEPENDENT DEFINED	11
6.2	ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE.....	12
6.3	REQUIREMENTS FOR DEPENDENT INSURANCE	12
6.4	EFFECTIVE DATE OF DEPENDENT INSURANCE	12
6.5	SCHEDULE OF DEPENDENT INSURANCE	12
6.6	WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT.....	12
6.7	WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT	13
6.8	TERMINATION OF DEPENDENT INSURANCE.....	13
6.9	LOSS OF DEPENDENT STATUS.....	13
6.10	DEATH BENEFIT.....	13
6.11	CONVERSION PRIVILEGE.....	13
6.12	TYPE OF CONVERSION POLICY AVAILABLE.....	14
6.13	EFFECTING A CONVERSION PRIVILEGE	14
6.14	CONVERSION POLICY PREMIUM RATE].....	14
7.	BENEFICIARY AND SETTLEMENT OPTIONS.....	14
7.1	BENEFICIARY DESIGNATION	14
7.2	CHANGE OF BENEFICIARY	14
7.3	CONSENT OF BENEFICIARY.....	15
7.4	PREFERENTIAL BENEFICIARY.....	15
7.5	MINOR BENEFICIARY.....	15

7.6	MORE THAN ONE BENEFICIARY	15
7.7	NO BENEFICIARY.....	15
7.8	SETTLEMENT OPTIONS.....	15
7.9	ASSIGNMENT.....	15
[8.	SHORT TERM DISABILITY BENEFIT (THIS IS AN OPTIONAL BENEFIT.)	15
8.1	WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS.....	15
8.2	TOTAL DISABILITY BENEFIT - INJURY.....	16
8.3	TOTAL DISABILITY BENEFIT - SICKNESS.....	16
8.4	MAXIMUM BENEFIT PERIOD.....	16
8.5	RECURRENT DISABILITY.....	16
8.6	LIMITATIONS.....	16
8.7	PARTIAL DISABILITY BENEFIT	17
8.8	TERMINATION OF TOTAL DISABILITY BENEFITS.....	17
8.9	PARTIAL DISABILITY BENEFIT CALCULATION.....	17
8.10	TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION	17
8.11	TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT.....	17
8.12	WAIVER OF PRE-EXISTING CONDITION LIMITATION]	17
9.	CHANGE OF CLASS OR EARNINGS	17
10.	WHEN INDIVIDUAL INSURANCE BEGINS	18
11.	WHEN INDIVIDUAL INSURANCE ENDS	18
12.	PREMIUM PROVISIONS	18
12.1	PREMIUM PAYMENT	18
12.2	PREMIUM DUE DATE	18
12.3	CHANGES IN PREMIUM RATES.....	18
12.4	INCORRECT PREMIUM PAYMENT	18
12.5	GRACE PERIOD.....	18
13.	GENERAL POLICY PROVISIONS.....	19
13.1	ENTIRE CONTRACT.....	19
13.2	INCONTESTABILITY.....	19
13.3	POLICY REINSTATEMENT.....	19
13.4	NOTICE OF CLAIM	19
13.5	CLAIM FORMS	19
13.6	PROOFS OF LOSS.....	19
13.7	PAYMENT OF CLAIMS.....	19
13.8	TIME OF CLAIM PAYMENT	19
13.9	PHYSICAL EXAMINATIONS AND AUTOPSY	19
13.10	LEGAL ACTIONS.....	20
13.11	NON-PARTICIPATION.....	20
13.12	MISSTATEMENT OF AGE	20
13.13	EMPLOYEE ELIGIBILITY	20
13.14	DUAL COVERAGE PRECLUDED.....	20
13.15	EXAMINATION OF POLICYHOLDER'S RECORDS.....	20
13.16	CERTIFICATES	20
13.17	ERISA.....	20
13.18	SPENDTHRIFT CLAUSE.....	20
13.19	RECORDS AND ESSENTIAL DATA	21
13.20	CONFORMITY WITH STATE STATUTES.....	21
13.21	POLICY TERMINATION.....	21
13.22	ALLOCATION OF AUTHORITY.....	21

PREMIUM RATE SCHEDULE

Rate Effective Date: (Insert)

For Group Policy No. (Insert)

COVERAGE

PREMIUM RATE--MONTHLY

Basic Term Life Insurance

\$[] per [\$1,000 of insurance] [employee per month]

[Class]	[Description]	[Amount]
[]	[]	\$[]
[]	[]	\$[]
[]	[]	\$[]

Accidental Death &
Dismemberment Benefits

\$[] per \$1,000 of principal sum

[Dependent Term Life Insurance

\$[] per dependent unit]

[Short Term Disability Benefits

\$[] per \$10 of benefit]

1. POLICY EFFECTIVE DATE AND TERM

The Effective Date of this Policy is shown on the Group Application for Coverage and/or Product Selection and Sold Rate Form. This Policy will stay in force for as long as the proper premium is paid; however, either the Policyholder or QualChoice Life may cancel this Policy on any Premium Due Date by telling the other in writing at least 31 days prior to such Premium Due Date.

2. ACTIVELY AT WORK PROVISION

2.1 "Active, Full-Time Employee" means an employee who performs all of the duties of his or her job with the Policyholder. This job may be at either:

1. The Policyholder's normal place of employment; or
2. At some other place to which the regular business operations of the Policyholder require that person to go.

An "Active, Full-Time Employee" does not include, however, temporary or seasonal employees. Nor does it include an officer or member of the board of the Policyholder who does not otherwise meet the definition of an "Active, Full-Time Employee".

2.2 "Full-time" means an employee must be:

1. Scheduled to work for the Policyholder at least [##] hours each week; and
2. On the regular payroll of the Policyholder for that work.

2.3 "Active work" is work performed as an active, full-time employee. "Actively at work" means being engaged at active work.

3. DEFINITIONS

3.1 "Total Disability" or "Totally Disabled" means any disability that:

1. Begins while this Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

3.2 "Group Application for Coverage and Product Selection and Sold Rate Form " mean the application(s) for this Policy signed by the Policyholder.

3.3 "Schedule of Benefits" means the description of benefits set forth in the Product Selection and Sold Rate Form.

3.4 "Insured" means an eligible employee who is insured under this Policy.

3.5 "The date the Insured retires" or "retirement" means the effective date of the Insured's:

1. Retirement pension benefits under any plan of a federal, state, county or municipal retirement systems, if such pension benefits include any credit for employment with the Policyholder;
2. Retirement pension benefits under any plan which the Policyholder sponsors, or makes or has made contributions; or
3. Retirement benefits under the United States Social Security Act of 1935, as amended, or under any similar plan or act.

3.6 "Physician" means a medical doctor or surgeon licensed to render services in accordance with the laws of the state where such services are rendered. The term "physician" will also include a licensed medical practitioner whose services are required by law to be recognized on the same basis as if they had been performed by a licensed medical doctor. Such practitioner must be acting within the scope of his or her license. Physician does not include the Insured or a member of the Insured's immediate family (spouse, daughter, son, father, mother,

sister, or brother).

- [3.7 **"Earnings"** means the Insured's rate of earnings from the Policyholder in effect immediately prior to the date a claim begins. It does not include bonuses, overtime pay and other extra compensation other than commissions. Commissions will be averaged over the 12 month period prior to the date a claim begins.]
- [3.8 **"Insured Dependent"** means an Insured's eligible spouse and/or child(ren) who are insured under this Policy, if this Policy provides Dependent Life Insurance.]

4. TERM LIFE INSURANCE BENEFIT

If an Insured dies while insured under this Policy, QualChoice Life will pay the applicable Life Insurance Benefit shown in the Schedule of Benefits.

4.1 CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY

4.1.1 EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT

In the event of termination of employment, a death benefit will be paid if the Insured dies while Totally Disabled provided that the disability:

1. Began while the person was both insured under this Policy and under age 60;
2. Has been continuous until death; and
3. Began within 12 months of the date of death.

4.1.2 WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT

If an Insured becomes Totally Disabled prior to age 60, QualChoice Life will waive premium for the Basic Term Life Insurance Benefit. The waiver of premium will begin on the first of the month following 12 consecutive months of Total Disability. The Insured must file written notice within 12 months after the date of Total Disability to be eligible for this benefit.

With respect to the Insured, this Waiver of Premium Benefit shall end on the earliest of the following:

1. On the date the Insured's Total Disability ends;
2. On the 91st day after QualChoice Life requests proof of continuous Total Disability, provided the Insured fails to furnish QualChoice Life with such proof during such 91 day period;
3. On the Premium Due Date immediately prior to the Insured's 65th birthday;
4. On the effective date of any individual life insurance policy obtained in accordance with Part 2, Right to Convert; or
5. On the date the Insured retires.

4.1.3 AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED

The Basic Term Life Insurance Benefit which is continued during Total Disability is the applicable amount of Basic Term Life Insurance in force as to the Insured on the date such Insured's Total Disability begins (subject to any reductions shown in the Schedule of Benefits).

This Continuation of Basic Term Life Insurance Benefit during Total Disability does not apply to the Accidental Death and Dismemberment Benefit.

4.2 RIGHT TO CONVERT

If an Insured is no longer eligible for part or all of the Life Insurance Benefit provided by this Policy, such Insured is entitled to apply to QualChoice Life for an individual policy of life insurance, without submitting evidence of insurability provided:

1. The policy applied for:
 - A. Is a type of individual life policy, other than term or universal life, then being issued by QualChoice Life; and
 - B. Does not include Accidental Death and Dismemberment [, Short Term Disability or other

- Supplemental benefits]; and
- 2. The amount of life insurance applied for under such individual life policy is in accordance with Section 4.2.1 below; and
- 3. The Insured agrees to pay the premium for such individual life policy. The premium will be based on the following, as of the effective date of such individual life policy;
 - A. QualChoice Life's usual rate for the amount and type of individual life policy; and
 - B. The Insured's attained age; and
- 4. The Insured applies and pays the first premium for such individual life policy within 31 days following termination or reduction of the Life Insurance Benefit under this Policy. Such individual life policy will become effective on the first day following the end of such 31 day period.

4.2.1 AMOUNT TO CONVERT

This conversion privilege is allowed for the Term Life Insurance that ceases for the following reasons:

- 1. The Insured may convert all or part of the amount of Life Insurance Benefit the Insured is no longer eligible for due to:
 - A. Reductions resulting from attainment of a specific age, as shown in the Schedule; or
 - B. Loss of the individual eligibility.
- 2. If the Insured has been insured under this Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured is no longer eligible due to:
 - A. Termination of this Policy;
 - B. Termination of the class of Insureds to which the Insured belongs; or
 - C. Reduction of benefits for the class of Insureds to which the Insured is a member:
 - (i) \$10,000, or
 - (ii) All or part of the amount for which the Insured is no longer eligible. This amount will be reduced by the amount of any life insurance for which the Insured becomes eligible to receive under a group policy issued or reinstated by QualChoice Life or any other insurer during the thirty-one day period immediately following termination of insurance under this Policy.

If the Insured dies during the conversion period, the maximum amount of Term Life Insurance which the Insured would have been entitled to have issued shall be payable as a claim under this Policy, whether or not application for the individual policy or the payment of the first premium has been made.

The rights or benefits granted under this provision are in lieu of any other rights or benefits granted under this Policy.

4.3. SUICIDE EXCLUSION

With respect to the Life Insurance Benefit, in the event an Insured, while sane or insane (in Missouri while sane), dies from intentionally self-inflicted injuries or any attempts thereat, within two years from the effective date of coverage, QualChoice Life's liability shall be only to return premiums paid under this Policy as to such Insured.

The Suicide Exclusion will not apply to the Insured who:

- 1. Is actively at work on the effective date of this Policy; and
- 2. Was insured for Group Life Insurance under the prior carrier's policy on its termination date.

4.4. THE ACCELERATED BENEFITS PROVISION

4.4.1 THE BENEFIT

The Insured with a medically determined terminal condition would be eligible to receive the following accelerated benefit:

Fifty percent (50%) of the Basic Term Life Insurance benefit in effect on the Insured's last day of active work up to a maximum insured amount of \$100,000. The maximum payable under this benefit is \$50,000.

An "Accelerated Benefit" covered under this Policy is a benefit payable:

1. To the Insured if, during his or her lifetime, the Insured sustains a terminal condition, as defined in this provision, the Insured or his or her legal representative may request a lump-sum accelerated death benefit payable once during the lifetime of the Insured;
2. Which reduces the death benefit otherwise payable under this Policy; and
3. Which is payable upon the occurrence of a single qualifying event which results in the payment of a benefit amount fixed at the time of acceleration.

4.4.2 TAX TREATMENT

Benefits paid under this provision may be taxable. The Insured or his or her beneficiary may incur a tax obligation. As with all tax matters, an Insured should consult with his or her personal tax advisor and/or attorney.

4.4.3 DEFINITION OF TERMINAL CONDITION

"Terminal Condition" means that the Insured has a medically determinable condition with no reasonable prospect of cure, which can be expected to result in death within 12 months of the date of disability. The proof of Terminal Condition satisfactory to QualChoice Life must be certified by the Insured's attending physician and one other physician.

QualChoice Life reserves the right to have the Insured examined at its expense by one or more physicians of its choice in connection with a request for Accelerated Death Benefit for Terminal Condition.

4.4.4 ELIGIBILITY REQUIREMENTS

All eligible Active Full Time Employees who have been covered under the Basic Term Life Insurance are eligible for the Accelerated Benefit. The benefit terminates at the earliest of:

1. When the Insured's Basic Term Life terminates;
2. At attained age 70; or
3. At retirement from employment.

In order to be eligible for this benefit, the Insured must have been continuously covered for at least one year under this Policy prior to sustaining a terminal condition, or covered under this Policy from the Policy Effective Date.

4.4.5 EFFECTIVE DATE OF THE ACCELERATED BENEFITS

The Accelerated Benefit provision shall be effective for accidents on the Policy Effective Date. The Accelerated Benefit provision shall be effective for illness thirty (30) days following the Policy Effective Date.

4.4.6 EXCLUSIONS AND LIMITATIONS

The Accelerated Benefit will not apply:

1. To any self inflicted injuries or suicide attempts;
2. To any [Supplemental Term Life Insurance benefits, including Dependent Life, nor to any] Accidental Death and Dismemberment benefits;
3. If an Insured is totally disabled on his or her Effective Date of coverage;
4. To a Basic Term Life Insurance benefit that has been assigned;
5. To a Basic Term Life Insurance benefit payable to an irrevocable beneficiary;
6. To a Basic Term Life Insurance benefit with a face amount of less than \$10,000; nor
7. If the required Basic Term Life Insurance premium is due and unpaid.

4.4.7 CONVERSION

The amount of Basic Term Life Insurance that may be converted is the Insured's Basic Term Life Insurance reduced by the Accelerated Benefit amount paid.

4.4.8 REDUCTIONS

If a benefit reduces in accordance with a reduction provision the total amount payable to the Insured will not be affected by the advanced payment.

4.4.9 FREQUENCY

Only one Accelerated Benefit payment will be made to an Insured.

4.4.10 TERMINATION

This Accelerated Benefits provision will terminate for the Insured on the earliest of the following dates:

1. The date the Policyholder terminates coverage under this Policy;
2. The date this Policy terminates;
3. The date the Insured retires;
4. The date the Insured dies;
5. The date the Insured receives an Accelerated Benefit payment; or
6. The date the Insured continues coverage under the Conversion Provisions of this Policy.

5. ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

5.1. LOSSES

If an Insured suffers any of the following losses, QualChoice Life will pay the indicated percentage of the Principal Sum, provided such loss:

1. Results from Injury and independently of all other causes, which Injury is caused by an accident that occurs while this benefit is in force as to the Insured; and
2. Occurs within 90 days of that accident. The Principal Sum is shown in the Schedule of Benefits.

Loss of Life	100%
Loss of Both Hands or Both Feet	100%
Loss of Entire Sight of Both Eyes	100%
Loss of One Hand and One Foot	100%
Loss of One Hand and the Entire Sight of One Eye	100%
Loss of One Foot and the Entire Sight of One Eye	100%
Loss of One Hand or One Foot	50%
Loss of Entire Sight of One Eye	50%

"Loss" as above used means:

1. With reference to hand or foot, complete loss of the use of the hand, or foot; and
2. With reference to eye, irrecoverable loss of the entire sight thereof.

If the Insured suffers more than one of the above losses as a result of the same accident, the benefit provided under this provision will be paid only for the greatest loss.

If loss of Life results while an Insured was riding as a fare-paying passenger in or upon a public conveyance being operated by a licensed common carrier for passenger service, the Accidental Death benefits provided under the Policy will be increased. The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$100,000.

5.2 ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS

This Policy does not provide benefits for any loss caused by or resulting from:

1. Declared or undeclared war or any act of war;
2. Service in the armed forces of any country or international authority;
3. Suicide or intentionally self - inflicted injury whether the Insured was sane or insane (in Missouri while sane) at the time of the suicide or injury;
4. Flying in an aircraft owned, operated, leased or chartered by the Policyholder;
5. Participation in, or in consequence of having participated in, the commission of any felony;

6. Sickness or disease, ptomaine or bacterial infection (except infections occurring through an accidental cut or wound); or
7. Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug, alcohol or any combination of these when not part of a professional medical treatment plan.

The Accidental Death and Dismemberment Benefit is not available to Insured Dependents.

5.3 SEAT BELT BENEFIT

The Accidental Death benefits provided under this Policy will be increased if, as a result of driving or riding in a private passenger automobile, the Insured dies as a result of an automobile accident.

The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$10,000.

5.4 CONDITIONS

QualChoice Life must receive proof that:

1. The Insured was insured for Accidental Death and Dismemberment benefits under this Policy; and
2. According to the official vehicle accident report, the Insured was wearing a properly installed seat belt or lap and shoulder restraint, or any other National Highway Traffic Safety Administration approved restraint at the time of the accident.

5.5 EXCLUSION

This additional benefit will not be paid if:

1. The Insured was driving while impaired by alcohol or drugs; or
2. The driver of the automobile in which the Insured was riding was driving while impaired by alcohol or drugs.

5.6 DEFINITION

A **"private passenger automobile"** is a four-wheel private passenger car, station wagon, van, truck or jeep-type automobile. It is not:

1. A taxi, bus or any other vehicle being used for public conveyance;
2. Used in off-road activities; or
3. Used in testing racing or endurance contests, either amateur or professional.

5.7 PAYMENT OF BENEFITS

Upon receipt of due proof of loss, the Accidental Death and Dismemberment benefit will be paid to the Insured, if living; otherwise, to the beneficiary.

All Claim Provisions and Beneficiary and Settlement Provisions apply to this coverage.

[6. DEPENDENT LIFE INSURANCE BENEFIT (This is an optional benefit.)

6.1 DEPENDENT DEFINED

A **"dependent"** is any one of these family members:

1. The Insured's spouse, if not legally separated from the Insured;
2. Each unmarried child (including any stepchild, legally adopted child or foster child) who is:
 - A. At least 14 days and under 19 years of age; and
 - B. Depends on the employee for the major part of his or her support.

However, the age limit is raised to under 23 years if the child is in school as a full-time student and financially dependent upon the Insured.

An eligible dependent will not include anyone who:

1. Is eligible for Employee Insurance; or
2. Is entitled to any extended coverage under this Policy by reason of having been an employee of the Policyholder.

If both husband and wife are Insureds, their children will be covered as dependents of the husband or wife, but not of both.

6.2 ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE

An Insured will be eligible for Dependent Insurance on the first day on which he or she:

1. First enters a class that provides Dependent Insurance; and
2. First gains a dependent. This will include gaining a dependent after a time without one.

6.3 REQUIREMENTS FOR DEPENDENT INSURANCE

1. An Insured must enroll for Dependent Insurance that is shown to be contributory in the Product Selection and Sold Rate Form for the coverage to become effective.
2. In the case of a special enrollment period which applies when one of the events listed below occurs, submission by the Insured to QualChoice Life through the Policyholder of a completed Enrollment Application allows a special enrollment of a dependent as long as it is sent to QualChoice Life within thirty (30) days of the occurrence of one of the following events:
 - A. Birth;
 - B. Adoption;
 - C. Marriage;
 - D. Addition of step-children; or
 - E. Permanent legal custody of a Child.
3. Deferral Rule - To effect new coverage on a dependent the following rule will apply:

The new coverage will be deferred for a dependent if he or she is confined in a medical care unit when it is due to take effect. In this case, the new coverage will take effect on the first day that the dependent is free from confinement.

For the purposes of this Deferral Rule, "**medical care unit**" means:

- A. A licensed general hospital; or
- B. A unit that treats one or more specific ailments; or
- C. Any type of convalescent or skilled nursing care facility.

This deferral rule does not apply to a newborn child upon reaching the minimum age if:

- A. On that date the child is hospital confined; and
- B. Has been continuously so confined since birth.

6.4 EFFECTIVE DATE OF DEPENDENT INSURANCE

An Insured's Dependent Insurance will take effect on the first day of the Policy Month that coincides with or next follows the date that:

1. The Eligibility Requirement is met; and
2. At least one dependent will become covered.

6.5 SCHEDULE OF DEPENDENT INSURANCE

The amount of coverage is shown on the Schedule of Benefits.

The insurance amount for an Insured's spouse or child may not exceed 50% of the Insured's amount of life insurance under this Policy.

6.6 WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT

The effective date of increases in a benefit amount is subject to the Deferral Rule. The effective date of a benefit decrease is not subject to the Deferral Rule.

A dependent will be covered for a change in the amount of an in force benefit as follows:

1. Benefit Change Due to Change in Age. The change takes effect on the first day of the Policy Month that coincides with or next follows the date of the age change.
2. Benefit Change Due to Change in Employee's Benefit Amount. The change takes effect on the same day as the change in the Insured's personal coverage.

6.7 WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT

Subject to the Deferral Rule, a dependent will first be covered for a newly acquired benefit from the date that:

1. The person is an eligible dependent and eligible for the new benefit;
2. The Insured has enrolled for Dependent Insurance; and
3. The enrollment requirements of the Policy are met for that benefit.

6.8 TERMINATION OF DEPENDENT INSURANCE

Dependent Insurance of an Insured will terminate on the earliest of:

1. The first day of the Policy Month that coincides with or next follows the date of the Insured's death;
2. The date that the Insurance of an Insured terminates;
3. The date Dependent Insurance benefits are discontinued under this Policy;
4. The date the Insured's class changes to one that does not provide Dependent Insurance benefits;
5. The beginning of the period for which premium is not paid as to the Insured Dependent;
6. The Premium Due Date immediately prior to the Insured Dependent Child's 19th birthday (23rd birthday, if attending school on a full-time basis), marriage or entry into the armed forces; or
7. For contributory coverage only, the end of the last period for which a premium charge has been paid if the next premium charge is not paid when due.

6.9 LOSS OF DEPENDENT STATUS

Dependent Insurance will cease for a person on the date that he or she is no longer an eligible dependent.

6.10 DEATH BENEFIT

QualChoice Life will pay a death benefit as shown in items 1. or 2. upon receipt of proof of death. It will be paid to the Insured if living at the time of payment; otherwise, it will be paid to the Insured's estate.

1. **Death Benefit While the Dependent is Covered** - When a person who is covered as a dependent dies, QualChoice Life will pay a death benefit. This benefit will be the amount of Dependent Term Life Insurance in force on that person's life at time of death.
2. **Death Benefit During the Conversion Period** - A death benefit will be paid if a dependent dies:
 - A. Within 31 days after all or part of the Dependent Term Life Insurance for the dependent would otherwise have terminated; and
 - B. During the period the dependent would have been entitled to have a conversion policy issued under the terms of the Conversion Privilege.

The death benefit will be the amount of Dependent Term Life Insurance that could have been converted for the dependent.

6.11 CONVERSION PRIVILEGE

This conversion privilege is allowed for the Dependent Term Life Insurance that ceases as described in items 1. and 2. below. This privilege must be exercised by the Insured Dependent unless legally unable to make a valid contract. In that case, the application must be made by the Insured, if living, or otherwise by the legal guardian of the Insured Dependent.

1. The Insured Dependent may convert all or part of the amount of insurance that ceases due to:
 - A. Provisions of the Product Selection and Sold Rate Form; or
 - B. Loss of eligibility.

However, no conversion is allowed for life insurance which stops solely due to non-payment of contributions.

2. If the Insured Dependent has been insured under this Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured Dependent is no longer eligible due to:

- A. Termination of this Policy;
- B. Termination of the Policyholder's coverage under this Policy; or
- C. Amendment of this Policy to terminate the Dependent Term Life Insurance under the Insured's Eligible Class.

The amount that may be converted if the Insured Dependent is no longer eligible due to one of the reasons listed above is the lesser of:

- (i) \$10,000; or
- (ii) All or part of the amount that ceases. This amount is reduced by any new dependent life insurance for which the Insured becomes eligible under any other group policy issued within 31 days of termination under this Policy.

6.12 TYPE OF CONVERSION POLICY AVAILABLE

A conversion policy will be one of the kinds of individual life insurance policies, other than term or universal life insurance, then being issued by the Company. The conversion policy will not include accidental death, disability or other supplementary benefits. It will be issued without evidence of insurability.

6.13 EFFECTING A CONVERSION PRIVILEGE

A conversion policy will take effect at the end of 31 days after insurance termination. To convert, the person requesting conversion must submit the following to the Company within that 31 day period:

- 1. Written application; and
- 2. The first premium payment.

6.14 CONVERSION POLICY PREMIUM RATE

The premiums for the conversion policy will be at:

- 1. QualChoice Life's usual rates for its type and amount;
- 2. The dependent's class of risk; and
- 3. The dependent's age last birthday as of its effective date.]

7. BENEFICIARY AND SETTLEMENT OPTIONS

7.1 BENEFICIARY DESIGNATION

The beneficiary or beneficiaries of an Insured shall be that person or persons indicated on the Insured's individual application for insurance. This application will be filed with the Policyholder. The beneficiary of an Insured Dependent, if this Policy provides Dependent Life Insurance, shall be the Insured.

7.2 CHANGE OF BENEFICIARY

Unless the Insured has made an irrevocable assignment of benefits, the beneficiary may be changed by sending a written request to the home office of QualChoice Life. When such request is received by QualChoice Life, the change of beneficiary shall take effect as of the date of execution of the written request, but without prejudice to QualChoice Life on account of any payment previously made by QualChoice Life.

7.3 CONSENT OF BENEFICIARY

If the Insured does initially name the spouse as beneficiary, QualChoice Life will require written consent of the spouse to name or change the beneficiary in community property states.

7.4 PREFERENTIAL BENEFICIARY

If the Insured has died and no beneficiary is living or named, QualChoice Life may, at its option, pay the benefits to the Insured's estate or to the surviving relatives of the Insured, specifically, the Insured's:

1. Spouse;
2. Child or children;
3. Parent(s);
4. Brothers and sisters; or
5. Executors or administrators.

QualChoice Life will not be liable to the extent of any payment so made, unless it receives written notice of a valid claim by some other person before payment is made.

7.5 MINOR BENEFICIARY

If the beneficiary is a minor or, in the opinion of QualChoice Life, is not able to give valid release for any payment due, QualChoice Life may, at its option and until claim is made by the duly appointed guardian, pay the benefit to the person or entity who appears to have assumed the care and support of the beneficiary. [Benefits in this event will be made in monthly payments of not more than \$50 each.]

QualChoice Life will not be liable to the extent of any payment so made in good faith.

7.6 MORE THAN ONE BENEFICIARY

If the Insured has named more than one beneficiary, the applicable amount of insurance shall be paid to the beneficiaries who survive the Insured, in equal share, unless the Insured has specified a different proportion.

7.7 NO BENEFICIARY

If the beneficiary predeceases the Insured or if the Insured does not designate a beneficiary, then the applicable amount of life insurance will be paid to the estate of the Insured.

7.8 SETTLEMENT OPTIONS

An Insured may elect or change a settlement option by filing a written request with QualChoice Life. The settlement options available will be those offered by QualChoice Life when the option is chosen. If an Insured does not request a settlement option, the beneficiary may do so after the Insured's death.

7.9 ASSIGNMENT

1. The Insured may make an irrevocable assignment of interest under this Policy. The assignment:
 - A. Must be made in writing on a form approved by QualChoice Life;
 - B. Must be an absolute assignment that transfers all rights except those of an irrevocably named beneficiary; and
 - C. Must not be a collateral assignment.
2. Assignment of interest conveys all rights of ownership. These include the right to change the beneficiary, receive payment of claims and assign the insurance.
3. QualChoice Life is not responsible for the validity or results of the assignment.

[8. SHORT TERM DISABILITY BENEFIT (This is an optional benefit.)

8.1 WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS

"Elimination Period" means the number of consecutive days an Insured must be Totally Disabled before benefits become payable under this Policy. The Elimination Period is shown in the Group Application for Coverage and/or Product Selection and Sold Rate Form.

"Injury" means bodily injury caused by an accident when:

1. The accident occurs while this Policy is in force as to the Insured;
2. The accident and Injury are not caused or contributed to by illness or disease; and
3. The Injury results directly and independently of all other causes in Total Disability which commences within 60 days of the accident. If the Injury results in Total Disability which commences more than 60 days following the date of the accident, Total Disability shall be deemed to be the result of Sickness.

"Partial Disability" means the Insured:

1. Is able to do some but not all of the duties of his or her occupation; and
2. Is under the regular care and attendance of a licensed physician.

["Pre-existing Condition" means a condition:

1. Resulting from an Injury that occurred or a Sickness that began before the Insured's effective date of coverage under this Policy;
2. For which medical treatment or advice was received during the 6 month period immediately before the Insured's effective date of coverage under this Policy; and
3. That causes Total Disability while the Insured is insured under this Policy.]

"Sickness" means illness or disease which causes Total Disability that begins while the Insured is insured under this Policy.

"Total Disability" or "Totally Disabled" means any disability that:

1. Begins while this Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

8.2 TOTAL DISABILITY BENEFIT - INJURY

QualChoice Life will pay the benefits in the Schedule of Benefits, when an Injury causes the Insured to be Totally Disabled beyond the Elimination Period.

8.3 TOTAL DISABILITY BENEFIT - SICKNESS

QualChoice Life will pay the benefits in the Schedule of Benefits, when a Sickness causes the Insured to be Totally Disabled beyond the Elimination Period.

8.4 MAXIMUM BENEFIT PERIOD

The Maximum Benefit Period is shown in the Schedule of Benefits. Total and Partial Disability will be considered one period of Total Disability.

8.5 RECURRENT DISABILITY

While this Policy is in force as to the Insured, successive periods of Total Disability:

1. Resulting from the same or related Injury or Sickness; and
2. For which benefits had been paid under this Policy;

will be considered as one period of Total Disability under this Policy unless such periods of Total Disability are separated by at least 14 consecutive days, during which the Insured has returned to active, full-time work.

8.6 LIMITATIONS

This Policy will not pay benefits for any disability which:

1. Is not being continuously treated by a physician;
2. Is the result of Injury or Sickness that, in either case, arises out of work for wage or profit;
3. Is the result of an intentionally self-inflicted injury or a suicide attempt; and
4. Is due to alcoholism or drug dependency except while confined as a bed patient in a medical care facility.

8.7 PARTIAL DISABILITY BENEFIT

If the Insured returns to work on a part-time basis after a period of Total Disability, QualChoice Life will pay the Insured a Partial Disability Benefit. The Insured:

1. Must have received a Total Disability Benefit as provided by this Policy; and
2. Must be Partially Disabled as a result of the same Sickness or Injury that caused Total Disability.

8.8 TERMINATION OF TOTAL DISABILITY BENEFITS

QualChoice Life will stop paying a Total Disability Benefit on the earlier of the following dates:

1. The date the Insured ceases to be Totally Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached.

8.9 PARTIAL DISABILITY BENEFIT CALCULATION

To figure the amount of Partial Disability Benefit:

1. Determine the Total Disability Benefit as shown in the Schedule of Benefits;
2. Multiply the Insured's part-time weekly [E]arnings by 50%; and
3. Subtract the amount determined in Step 2 above from the amount determined in Step 1.

The amount determined in Step 3 is the Partial Disability Benefit.

However, for a Partial Disability Benefit to be payable, the Insured's part-time weekly [E]arnings may not exceed the Total Disability Benefit as shown in the Schedule of Benefits.

8.10 TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION

QualChoice Life will pay the benefits in the Schedule of Benefits for Pre-existing Conditions provided that Total Disability resulting from a Pre-existing Condition commences 12 months or more after the Insured's effective date of coverage under this Policy.

8.11 TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT

QualChoice Life will stop paying a Total or Partial Disability Benefit on the earliest of the following dates:

1. The date the Insured ceases to be Totally or Partially Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached; or
3. The date the employee's part-time weekly [E]arnings exceed the Insured's Total Disability Benefit as shown in the Schedule of Benefits.

8.12 WAIVER OF PRE-EXISTING CONDITION LIMITATION

The "Pre-existing Condition Limitation" will not apply if the Insured:

1. Is actively at work on the effective date of this Policy; and
2. Was insured under the prior carrier's policy on its termination date.]

9. CHANGE OF CLASS OR EARNINGS

If a change in an Insured's class or [E]arnings would increase the amount of the benefits entitled to be received under this Policy, such increase in benefits will become effective on the Premium Due Date following such change, provided:

1. Notice of the change is given to QualChoice Life within 30 days of the change; and
2. Such increase in benefits does not exceed the Guarantee Issue Amount, stated in the Group Application for Coverage and/or Product Selection and Sold Rate Form.

If notice is not given within the required time or the increase in benefits would exceed the Guaranteed Issue Amount, stated in the Group Application for Coverage and/or Product Selection and Sold Rate Form, such increase in benefits:

1. Must be approved by QualChoice Life; and
2. Will become effective on the Premium Due date following QualChoice Life's approval.

If the Insured is not at work full-time due to Injury or Sickness on the date an increase in benefits is due to begin, such increase in benefits will not begin until the Insured returns to full-time work.

If a change in an Insured's class or [E]arnings would decrease the amount of benefits entitled to be received under this Policy, such decrease in benefits will become effective on the Premium Due Date following the change.

10. WHEN INDIVIDUAL INSURANCE BEGINS

To become insured, eligible employees must make written application to QualChoice Life. Coverage will begin on the Premium Due Date, shown in the Group Application for Coverage and/or Product Selection and Sold Rate Form for benefits, following the date QualChoice Life approves the application. QualChoice Life may require evidence of insurability before approving the application.

If an eligible employee is not at full-time work due to an Injury or Sickness on the date insurance is due to begin, it will not begin until return to full-time work.

11. WHEN INDIVIDUAL INSURANCE ENDS

The insurance will end with respect to an Insured on the earliest of the following:

1. When this Policy is cancelled;
2. When the insurance is cancelled for the class of insureds to which the Insured belongs;
3. The beginning of the period for which premium is not paid as to the Insured; or
4. The date the Insured is no longer actively working on a Full-time basis in any class or classes insured under this Policy unless (and only with respect to the Basic Term Life Insurance Benefit, if provided by this Policy) the Continuation of Basic Term Life Insurance Benefit During Total Disability applies.

12. PREMIUM PROVISIONS

12.1 PREMIUM PAYMENT

Premiums are payable at the Home Office of QualChoice Life on or before each premium due date.

12.2 PREMIUM DUE DATE

The first premium will be due on the Policy effective date and on the same day of each subsequent month unless the Policyholder and QualChoice Life agree on some other method of premium payment.

12.3 CHANGES IN PREMIUM RATES

The monthly premium rates may be changed by QualChoice Life from time to time if it gives the Policyholder at least 31 days advance written notice. No such change will be made until 12 months after the Policy Effective Date except when the Policyholder requests it.

12.4 INCORRECT PREMIUM PAYMENT

Premiums paid in error for a person who is not eligible to be insured will be refunded without interest when requested by the Policyholder. These premiums will not be refunded for any period before the last Policy anniversary date.

12.5 GRACE PERIOD

If, before any premium due date except the first, the Policyholder has not given written notice to QualChoice Life that this Policy is to be terminated, a grace period of 31 days will be given in which to pay the premium then due. This Policy will stay in effect during that time. If any premium is not paid by the end of the grace period, this policy will automatically terminate at the end of the grace period; except that if the Policyholder has given written notice in advance of an earlier date of termination, this Policy will terminate as of the earlier date.

13. GENERAL POLICY PROVISIONS

13.1 ENTIRE CONTRACT

This Policy, with the Policyholder's Application, the individual applications, if any, and Amendments, if any, is the entire contract between the Policyholder and QualChoice Life. All statements made by the Policyholder or the persons insured will be deemed representations and not warranties. No change in this Policy will be valid until approved by a QualChoice Life officer. This approval must be endorsed on or attached to this Policy. No agent may change this Policy or waive any of its provisions.

13.2 INCONTESTABILITY

The validity of this Policy may not be contested, except for nonpayment of premium, after it has been in force for two years from its Effective Date. No statement made by an Insured may be used to reduce or deny a claim or to contest the validity of the insurance unless all of the following are true:

1. The insurance has been in effect for a period of two years or less;
2. The statement is in a written instrument signed by the Insured; and
3. A copy of the written instrument has been given to the Insured or the Insured's beneficiary.

13.3 POLICY REINSTATEMENT

In the event that this Policy is terminated because premiums were not paid within the grace period, QualChoice Life may reinstate this Policy at its sole option, and may charge an additional reinstatement fee if it wishes to do so. If QualChoice Life does not elect to reinstate this policy, it is not required to do so.

13.4 NOTICE OF CLAIM

Written notice of claim must be given within 30 days after a covered loss begins, or as soon as reasonably possible. The notice may be given to QualChoice Life at P. O. Box 25610, Little Rock, Arkansas 72221. Notice should include information which identifies the Insured or Insured Dependent and this Policy.

13.5 CLAIM FORMS

When QualChoice Life receives notice of claim, forms for filing proof of loss will be sent to the claimant. If these forms are not sent within 15 days, the claimant will meet the proof of loss requirements if, within 90 days after the loss began, QualChoice Life is given written proof of the nature and extent of the loss.

13.6 PROOFS OF LOSS

Written proof of loss must be given to QualChoice Life within 90 days after the loss begins. QualChoice Life will not deny nor reduce any claim if it was not reasonably possible to give QualChoice Life such proof in the time required. In any event, proof must be given to QualChoice Life within 1 year after it is due, unless the claimant is legally incapable of doing so. QualChoice Life has the right to require proof of the continuance of total disability at any time during the first two years after receipt of initial proof of total disability, and thereafter, once a year.

13.7 PAYMENT OF CLAIMS

Benefits provided by this Policy will be paid to the beneficiary determined in accordance with Section 7 of this Policy, entitled "**BENEFICIARY AND SETTLEMENT OPTIONS**".

13.8 TIME OF CLAIM PAYMENT

Short Term Disability Benefit claims (if this Policy provides a Short Term Disability Benefit) will be paid weekly as of the dates required. Claims for other benefits will be paid not more than 30 days after receipt by QualChoice Life of written proofs of loss. If we fail to pay benefits within this 30-day period, the Insured is entitled to interest at the rate of 6 percent per year from the 60th day after receipt of due proof to the date of late payment.

13.9 PHYSICAL EXAMINATIONS AND AUTOPSY

QualChoice Life at its own expense will have the right and opportunity to have the Insured examined as often as

reasonably necessary while a claim is pending. QualChoice Life at its own expense may have an autopsy made (during the period of contestability), unless prohibited by law. If the Insured fails to submit proof of continuing Total Disability when required; or fails to be examined medically when required, no further benefit will be provided for that Total Disability.

13.10 LEGAL ACTIONS

No legal action may be brought to recover on this Policy before 60 days after written proof of loss has been furnished, as required by this Policy. No such action may be brought after 6 years from the time written proof of loss is required to be furnished.

13.11 NON-PARTICIPATION

This Policy will not share in any earnings of QualChoice Life.

13.12 MISSTATEMENT OF AGE

If an Insured's or Insured Dependent's age has been misstated, benefits payable for such Insured or Insured's Dependent will be what the premium paid would have purchased at the correct age. This benefit will be subject to the applicable Policy maximums.

13.13 EMPLOYEE ELIGIBILITY

Active, Full-Time Employees of the Policyholder (Employer) who:

1. Are in a class of employees determined by conditions of employment, which is agreed upon as eligible by the Policyholder and QualChoice Life; and
2. Have been continuously employed during the minimum service period, as shown in the Group Application for Coverage and/or Product Selection and Sold Rate Form, immediately preceding their individual effective dates of insurance.

13.14 DUAL COVERAGE PRECLUDED

No person may be insured under this Policy as:

1. A dependent of more than one employee; or
2. Both an employee and a dependent.

13.15 EXAMINATION OF POLICYHOLDER'S RECORDS

QualChoice Life will be allowed to examine the records of the Policyholder relating to this Policy. This may be done at any reasonable time up to 2 years after the cancellation of this Policy, or until settlement of all claims, whichever is later.

13.16 CERTIFICATES

QualChoice Life will issue a Certificate of Insurance for each Insured. It will describe:

1. The benefits to which an Insured (or Insured Dependent, if this Policy provides Dependent Life Insurance) is entitled under this Policy;
2. To whom such benefits are payable; and
3. The limitations and requirements of this Policy.

13.17 ERISA

If this Policy is an integral part of an employee welfare benefit plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA), QualChoice Life is a claim fiduciary. As claim fiduciary, QualChoice Life shall have the discretionary authority to determine eligibility for benefits and to construe the terms of that part of the ERISA plan represented by this Contract. Any judicial review of a decision of QualChoice Life shall be conducted under the arbitrary and capricious standard of review with deference given to the claim fiduciary's decision.

13.18 SPENDTHRIFT CLAUSE

To the extent allowed by law, no benefit of the Policy is subject to the claim or legal process of a creditor of an Insured or a beneficiary.

13.19 RECORDS AND ESSENTIAL DATA

The Policyholder will keep a record of all Insureds. This record will contain all of the data that is specified by QualChoice Life.

13.20 CONFORMITY WITH STATE STATUTES

Any provision of this Policy which, on its Effective Date, is in conflict with the laws of the state in which this Policy is delivered, is amended to conform to the minimum requirements of such laws.

13.21 POLICY TERMINATION

The Policyholder may terminate this Policy by giving QualChoice Life at least 31 days prior written notice.

QualChoice Life may terminate this Policy as of any premium due date by giving at least 31 days advance written notice to the Policyholder if any of the following occurs:

1. If on a non-contributory plan, less than 100% of the eligible employees are insured under this Policy.
2. If on a contributory plan, less than 75% of the eligible employees are insured under this Policy.
3. If on a contributory plan, less than 75% of the eligible employees [(15% with respect to the Short Term Disability Benefit)] are insured under this Policy.
4. If less than 2 eligible employees are insured under this Policy.
5. If less than 2 eligible employees [(10 with respect to the Short Term Disability Benefit)] are insured under this Policy.
6. If less than the minimum required by law are insured under this Policy.

QualChoice Life may terminate this Policy at any time after it has been in effect for 12 months by giving advance written notice to the Policyholder.

Termination will take effect on the later of the date stated in the notice or 31 days from the date of mailing such notice.

The Policy will terminate at the end of the grace period if premiums have not been paid by that date.

13.22 ALLOCATION OF AUTHORITY

Except for those functions which the Policy specifically reserves to the Policyholder, QualChoice Life has full and exclusive authority to control and manage this Policy, to administer claims and to interpret this Policy and resolve all questions arising in the administration, interpretation and application of this Policy.

QualChoice Life's authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the group policy and any claim under it; and
3. The right to determine:
 - A. Eligibility for insurance;
 - B. Entitlement to benefits;
 - C. The amount of benefits payable; and
 - D. The sufficiency and the amount of information QualChoice Life may reasonably require to determine A, B, or C above.

Subject to the review procedures of the group policy, any decision QualChoice Life makes in the exercise of this authority is conclusive and binding.



QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.

12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211
(501) 228-7111

**BASIC TERM LIFE / ACCIDENTAL DEATH AND DISMEMBERMENT
[and SHORT TERM DISABILITY POLICY]
RENEWAL AT OPTION OF QUALCHOICE LIFE
(NON-PARTICIPATING)**

QualChoice Life and Health Insurance Company, Inc. ("QualChoice Life") certifies that it has issued the group insurance policy shown below (referred to in this certificate as the "Policy") and, subject to the terms of that Policy you, the Insured, are eligible.

This certificate is merely evidence of your insurance under the Policy, and all matters pertaining to such insurance are subject to the terms and conditions of the Policy. This certificate replaces any certificate previously issued to the employee by Companion Life under the Policy.

Policy Number: [] [Certificate Number: []]

Policyholder: [ABC Company
125 N. Main Street
Any City, USA]

CERTIFICATE DATE: [] [INSURED EMPLOYEE: []]

SCHEDULE OF BENEFITS

BASIC TERM LIFE: [[\$] DEPENDENT LIFE: [\$]

Alternate]

[#]% of Annual Earnings Up To A Maximum of \$[#]]

AD&D PRINCIPAL SUM: [\$]

DEPENDENT INSURANCE:

CLASSIFICATION	AMOUNT OF INSURANCE
Spouse	[\$]
Children	
At least 14 days but less than 6 months of age	[\$]
At least 6 months of age but less than [xxxxx] years of age ([xxxxxxxx] years, if unmarried, full-time student)	[\$]
Unmarried, full-time student	[\$]

[SHORT TERM DISABILITY: [\$ Per Week]]

[Each of the amount of Basic Term Life insurance and the principal sum for accidental death and dismemberment insurance shall reduce by 35% at age 65, 50% at age 70, and then 70% at age 75. Benefits terminate at retirement.

Disability benefits begin on the [1st] day of disability due to accidental injury, the [8th] day of disability due to sickness, [or the [1st] day of disability if confined to a hospital] and are payable for a maximum of [26] weeks.]

PLEASE READ YOUR CERTIFICATE CAREFULLY.

QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.



Michael E. Stock
President & CEO

IMPORTANT QUALCHOICE CONTACT INFORMATION

QualChoice is committed to providing better customer support. That includes making it easy for you to contact us. You are always welcome to call us with any questions or concerns.

QualChoice Life and Health Insurance Company, Inc.
The QualChoice Building
12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211

Website Address:

www.qualchoice.com

Our Customer Service Department can be reached:

Toll Free at (800) 235-7111

Locally at (501) 228-7111

If we at QualChoice Life and Health Insurance Company, Inc. fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201
(501)371-2640 or (800) 852-5494

SCHEDULE OF BENEFITS	1
1. ACTIVELY AT WORK PROVISION	6
1.1 "Active, Full-Time Employee"	6
1.2 "Full-time"	6
1.3 "Active work"	6
2. DEFINITIONS	6
2.1 "Total Disability" or "Totally Disabled"	6
2.2 "Schedule of Benefits"	6
2.3 "Insured"	6
2.4 "The date the Insured retires" or "retirement"	6
2.5 "Physician"	6
[2.6 "Earnings"]	6
[2.7 "Insured Dependent"]	7
3. TERM LIFE INSURANCE BENEFIT	7
3.1 CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY	7
3.1.1 EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT	7
3.1.2 WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT	7
3.1.3 AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED	7
3.2. RIGHT TO CONVERT	7
3.2.2 AMOUNT TO CONVERT	8
3.3 SUICIDE EXCLUSION	8
3.4 THE ACCELERATED BENEFITS PROVISION	8
3.4.1 THE BENEFIT	8
3.4.2 TAX TREATMENT	9
3.4.3 DEFINITION OF TERMINAL CONDITION	9
3.4.4 ELIGIBILITY REQUIREMENTS	9
3.4.5 EFFECTIVE DATE OF THE ACCELERATED BENEFITS	9
3.4.6 EXCLUSIONS AND LIMITATIONS	9
3.4.7 CONVERSION	9
3.4.8 REDUCTIONS	9
3.4.9 FREQUENCY	9
3.4.10 TERMINATION	10
4. ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT	10
4.1. LOSSES	10
4.2 ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS	10
4.3 SEAT BELT BENEFIT	11
4.4 CONDITIONS	11
4.5 EXCLUSION	11
4.6 DEFINITION OF PRIVATE PASSENGER AUTOMOBILE	11
4.7 PAYMENT OF BENEFITS	11
[5. DEPENDENT LIFE INSURANCE BENEFIT	11
5.1 DEPENDENT DEFINED	11
5.2 ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE	12
5.3 REQUIREMENTS FOR DEPENDENT INSURANCE	12
5.4 EFFECTIVE DATE OF DEPENDENT INSURANCE	12
5.5 SCHEDULE OF DEPENDENT INSURANCE	12
5.6 WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT	12
5.7 WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT	13
5.8 TERMINATION OF DEPENDENT INSURANCE	13
5.9 LOSS OF DEPENDENT STATUS	13
5.10 DEATH BENEFIT	13
5.11 CONVERSION PRIVILEGE	13
5.12 TYPE OF CONVERSION POLICY AVAILABLE	14

5.13	EFFECTING A CONVERSION PRIVILEGE	14
5.14	CONVERSION POLICY PREMIUM RATE]	14
6.	BENEFICIARY AND SETTLEMENT OPTIONS	14
6.1	BENEFICIARY DESIGNATION	14
6.2	CHANGE OF BENEFICIARY	14
6.3	CONSENT OF BENEFICIARY	14
6.4	PREFERENTIAL BENEFICIARY	14
6.5	MINOR BENEFICIARY	14
6.6	MORE THAN ONE BENEFICIARY	15
6.7	NO BENEFICIARY	15
6.8	SETTLEMENT OPTIONS	15
6.9	ASSIGNMENT	15
[7.	SHORT TERM DISABILITY BENEFIT (THIS IS AN OPTIONAL BENEFIT.)	15
7.1	WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS	15
7.2	TOTAL DISABILITY BENEFIT - INJURY	16
7.3	TOTAL DISABILITY BENEFIT - SICKNESS	16
7.4	MAXIMUM BENEFIT PERIOD	16
7.5	RECURRENT DISABILITY	16
7.6	LIMITATIONS	16
7.7	PARTIAL DISABILITY BENEFIT	16
7.8	TERMINATION OF TOTAL DISABILITY BENEFIT	16
7.9	PARTIAL DISABILITY BENEFIT CALCULATION	16
7.10	TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION	17
7.12	TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT	17
8.	CHANGE OF CLASS OR EARNINGS	17
9.	WHEN INDIVIDUAL INSURANCE BEGINS	18
10.	WHEN INDIVIDUAL INSURANCE ENDS	18
11.	CLAIM PROVISIONS	18
11.1	NOTICE OF CLAIM	18
11.2	CLAIM FORMS	18
11.3	PROOFS OF LOSS	18
11.4	PAYMENT OF CLAIMS	18
11.5	TIME OF CLAIM PAYMENT	18
11.6	PHYSICAL EXAMINATIONS AND AUTOPSY	18
11.7	LEGAL ACTIONS	18
12.	GENERAL PROVISIONS	19
12.1	MISSTATEMENT OF AGE	19
12.2	EMPLOYEE ELIGIBILITY	19
12.3	DUAL COVERAGE PRECLUDED	19
12.4	ERISA	19
12.5	SPENDTHRIFT CLAUSE	19
12.6	RECORDS AND ESSENTIAL DATA	19
12.7	ALLOCATION OF AUTHORITY	19

1. ACTIVELY AT WORK PROVISION

1.1 "Active, Full-Time Employee" means an employee who performs all of the duties of his or her job with the Policyholder. This job may be at either:

1. The Policyholder's normal place of employment; or
2. At some other place to which the regular business operations of the Policyholder require that person to go.

An "Active, Full-Time Employee" does not include, however, temporary or seasonal employees. Nor does it include an officer or member of the board of the Policyholder who does not otherwise meet the definition of an "Active, Full-Time Employee".

1.2 "Full-time" means an employee must be:

1. Scheduled to work for the Policyholder at least [##] hours each week; and
2. On the regular payroll of the Policyholder for that work.

1.3 "Active work" is work performed as an active, full-time employee. "Actively at work" means being engaged at active work.

2. DEFINITIONS

2.1 "Total Disability" or "Totally Disabled" means any disability that:

1. Begins while the Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

2.2 "Schedule of Benefits" means the description of benefits set forth on the face page of this certificate.

2.3 "Insured" means an eligible employee who is insured under the Policy.

2.4 "The date the Insured retires" or "retirement" means the effective date of the Insured's:

1. Retirement pension benefits under any plan of a federal, state, county or municipal retirement systems, if such pension benefits include any credit for employment with the Policyholder;
2. Retirement pension benefits under any plan which the Policyholder sponsors, or makes or has made contributions; or
3. Retirement benefits under the United States Social Security Act of 1935, as amended, or under any similar plan or act.

2.5 "Physician" means a medical doctor or surgeon licensed to render services in accordance with the laws of the state where such services are rendered. The term "physician" will also include a licensed medical practitioner whose services are required by law to be recognized on the same basis as if they had been performed by a licensed medical doctor. Such practitioner must be acting within the scope of his or her license. Physician does not include the Insured or a member of the Insured's immediate family (spouse, daughter, son, father, mother, sister, or brother).

[2.6 "Earnings" means the Insured's rate of earnings from the Policyholder in effect immediately prior to the date a claim begins. It does not include bonuses, overtime pay and other extra compensation other than commissions. Commissions will be averaged over the 12 month period prior to the date a claim begins.]

[2.7 "Insured Dependent" means an Insured's eligible spouse and/or child(ren) who are insured under the Policy, if the Policy provides Dependent Life Insurance.]

3. TERM LIFE INSURANCE BENEFIT

If an Insured dies while insured under the Policy, QualChoice Life will pay the applicable Basic Term Life Insurance Benefit shown in the Schedule of Benefits.

3.1 CONTINUATION OF BASIC TERM LIFE INSURANCE BENEFIT DURING TOTAL DISABILITY

3.1.1 EXTENSION OF BASIC TERM LIFE INSURANCE BENEFIT

In the event of termination of employment, a death benefit will be paid if the Insured dies while Totally Disabled provided that the disability:

1. Began while the person was both insured under the Policy and under age 60;
2. Has been continuous until death; and
3. Began within 12 months of the date of death.

3.1.2 WAIVER OF BASIC TERM LIFE INSURANCE PREMIUM BENEFIT

If an Insured becomes Totally Disabled prior to age 60, QualChoice Life will waive premium for the Basic Term Life Insurance Benefit. The waiver of premium will begin on the first of the month following 12 consecutive months of Total Disability. The Insured must file written notice within 12 months after the date of Total Disability to be eligible for this benefit.

With respect to the Insured, this Waiver of Premium Benefit shall end on the earliest of the following:

1. On the date the Insured's Total Disability ends;
2. On the 91st day after QualChoice Life requests proof of continuous Total Disability, provided the Insured fails to furnish QualChoice Life with such proof during such 91 day period;
3. On the Premium Due Date immediately prior to the Insured's 65th birthday;
4. On the effective date of any individual life insurance policy obtained in accordance with Part 2, Right to Convert; or
5. On the date the Insured retires.

3.1.3 AMOUNT OF BASIC TERM LIFE INSURANCE BENEFIT CONTINUED

The Basic Term Life Insurance Benefit which is continued during Total Disability is the applicable amount of Basic Term Life Insurance in force as to the Insured on the date such Insured's Total Disability begins (subject to any reductions shown in the Schedule of Benefits).

This Continuation of Basic Term Life Insurance Benefit during Total Disability does not apply to the Accidental Death and Dismemberment Benefit.

3.2. CONVERSION

3.2.1 RIGHT TO CONVERT

If an Insured is no longer eligible for part or all of the Life Insurance Benefit provided by the Policy, such Insured is entitled to apply to QualChoice Life for an individual policy of life insurance, without submitting evidence of insurability provided:

1. The policy applied for:
 - A. Is a type of individual life policy, other than term or universal life, then being issued by QualChoice Life; and
 - B. Does not include Accidental Death and Dismemberment [, Short Term Disability or other Supplemental benefits]; and
2. The amount of life insurance applied for under such individual life policy is in accordance with Section 3.2.2 ("Amount to Convert") below; and

3. The Insured agrees to pay the premium for such individual life policy. The premium will be based on the following, as of the effective date of such individual life policy;
 - A. QualChoice Life's usual rate for the amount and type of individual life policy; and
 - B. The Insured's attained age; and
4. The Insured applies and pays the first premium for such individual life policy within 31 days following termination or reduction of the Life Insurance Benefit under the Policy. Such individual life policy will become effective on the first day following the end of such 31 day period.

3.2.2 AMOUNT TO CONVERT

This conversion privilege is allowed for the Term Life Insurance that ceases for the following reasons:

1. The Insured may convert all or part of the amount of Life Insurance Benefit the Insured is no longer eligible due to:
 - A. Reductions resulting from attainment of a specific age, as shown in the Schedule; or
 - B. Loss of the individual eligibility.
2. If the Insured has been insured under the Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured is no longer eligible due to:
 - A. Termination of the Policy;
 - B. Termination of the class of Insureds to which the Insured belongs; or
 - C. Reduction of benefits for the class of Insureds to which the Insured is a member:
 - (i) \$10,000, or
 - (ii) All or part of the amount for which the Insured is no longer eligible. This amount will be reduced by the amount of any life insurance for which the Insured becomes eligible to receive under a group policy issued or reinstated by QualChoice Life or any other insurer during the thirty-one day period immediately following termination of insurance under the Policy.

If the Insured dies during the conversion period, the maximum amount of Term Life Insurance which the Insured would have been entitled to have issued shall be payable as a claim under the Policy, whether or not application for the individual policy or the payment of the first premium has been made.

The rights or benefits granted under this provision are in lieu of any other rights or benefits granted under the Policy.

3.3 SUICIDE EXCLUSION

With respect to the Life Insurance Benefit, in the event an Insured, while sane or insane (in Missouri while sane), dies from intentionally self-inflicted injuries or any attempts thereat, within two years from the effective date of coverage, QualChoice Life's liability shall be only to return premiums paid under the Policy as to such Insured.

The Suicide Exclusion will not apply to the Insured who:

1. Is actively at work on the effective date of the Policy; and
2. Was insured for Group Life Insurance under the prior carrier's policy on its termination date.

3.4 THE ACCELERATED BENEFITS PROVISION

3.4.1 THE BENEFIT

The Insured with a medically determined terminal condition would be eligible to receive the following accelerated benefit:

Fifty percent (50%) of the Basic Term Life Insurance benefit in effect on the Insured's last day of active work up to a maximum insured amount of \$100,000. The maximum payable under this benefit is \$50,000.

An "Accelerated Benefit" covered under the Policy is a benefit payable:

1. To the Insured if, during his or her lifetime, the Insured sustains a terminal condition, as defined in this provision, the Insured or his or her legal representative may request a lump-sum accelerated death benefit payable once during the lifetime of the Insured;
2. Which reduces the death benefit otherwise payable under the Policy; and
3. Which is payable upon the occurrence of a single qualifying event which results in the payment of a

benefit amount fixed at the time of acceleration.

3.4.2 TAX TREATMENT

Benefits paid under this provision may be taxable. The Insured or his or her beneficiary may incur a tax obligation. As with all tax matters, an Insured should consult with his or her personal tax advisor and/or attorney.

3.4.3 DEFINITION OF TERMINAL CONDITION

"Terminal Condition" means that the Insured has a medically determinable condition with no reasonable prospect of cure, which can be expected to result in death within 12 months of the date of disability. The proof of Terminal Condition satisfactory to QualChoice Life must be certified by the Insured's attending physician and one other physician.

QualChoice Life reserves the right to have the Insured examined at its expense by one or more physicians of its choice in connection with a request for Accelerated Death Benefit for Terminal Condition.

3.4.4 ELIGIBILITY REQUIREMENTS

All eligible Active Full Time Employees who have been covered under the Basic Term Life Insurance are eligible for the Accelerated Benefit. The benefit terminates at the earliest of:

1. When the Insured's Basic Term Life terminates;
2. At attained age 70; or
3. At retirement from employment.

In order to be eligible for this benefit, the Insured must have been continuously covered for at least one year under the Policy prior to sustaining a terminal condition, or covered under the Policy from the Policy Effective Date.

3.4.5 EFFECTIVE DATE OF THE ACCELERATED BENEFITS

The Accelerated Benefit provision shall be effective for accidents on the Policy Effective Date. The Accelerated Benefit provision shall be effective for illness thirty (30) days following the Policy Effective Date.

3.4.6 EXCLUSIONS AND LIMITATIONS

The Accelerated Benefit will not apply:

1. To any self inflicted injuries or suicide attempts;
2. To any [Supplemental Term Life Insurance benefits, including Dependent Life, nor to any] Accidental Death and Dismemberment benefits;
3. If an Insured is totally disabled on his or her Effective Date of coverage;
4. To a Basic Term Life Insurance benefit that has been assigned;
5. To a Basic Term Life Insurance benefit payable to an irrevocable beneficiary;
6. To a Basic Term Life Insurance benefit with a face amount of less than \$10,000; nor
7. If the required Basic Term Life Insurance premium is due and unpaid.

3.4.7 CONVERSION

The amount of Basic Term Life Insurance that may be converted is the Insured's Basic Term Life Insurance reduced by the Accelerated Benefit amount paid.

3.4.8 REDUCTIONS

If a benefit reduces in accordance with a reduction provision the total amount payable to the Insured will not be affected by the advanced payment.

3.4.9 FREQUENCY

Only one Accelerated Benefit payment will be made to an Insured.

3.4.10 TERMINATION

This Accelerated Benefits provision will terminate for the Insured on the earliest of the following dates:

1. The date the Policyholder terminates coverage under the Policy;
2. The date the Policy terminates;
3. The date the Insured retires;
4. The date the Insured dies;
5. The date the Insured receives an Accelerated Benefit payment; or
6. The date the Insured continues coverage under the Conversion Provisions of the Policy.

4. ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

4.1. LOSSES

If an Insured suffers any of the following losses, QualChoice Life will pay the indicated percentage of the Principal Sum, provided such loss:

1. Results from Injury and independently of all other causes, which Injury is caused by an accident that occurs while this benefit is in force as to the Insured; and
 2. Occurs within 90 days of that accident. The Principal Sum is shown in the Schedule of Benefits.
- | | |
|--|------|
| Loss of Life | 100% |
| Loss of Both Hands or Both Feet | 100% |
| Loss of Entire Sight of Both Eyes | 100% |
| Loss of One Hand and One Foot | 100% |
| Loss of One Hand and the Entire Sight of One Eye | 100% |
| Loss of One Foot and the Entire Sight of One Eye | 100% |
| Loss of One Hand or One Foot | 50% |
| Loss of Entire Sight of One Eye | 50% |

"Loss" as above used means:

1. With reference to hand or foot, complete loss of the use of the hand, or foot; and
2. With reference to eye, irrecoverable loss of the entire sight thereof.

If the Insured suffers more than one of the above losses as a result of the same accident, the benefit provided under this provision will be paid only for the greatest loss.

If loss of Life results while an Insured was riding as a fare-paying passenger in or upon a public conveyance being operated by a licensed common carrier for passenger service, the Accidental Death benefits provided under the Policy will be increased. The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$100,000.

4.2 ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT EXCLUSIONS

The Policy does not provide benefits for any loss caused by or resulting from:

1. Declared or undeclared war or any act of war;
2. Service in the armed forces of any country or international authority;
3. Suicide or intentionally self - inflicted injury whether the Insured was sane or insane (in Missouri while sane) at the time of the suicide or injury;
4. Flying in an aircraft owned, operated, leased or chartered by the Policyholder;
5. Participation in, or in consequence of having participated in, the commission of any felony;
6. Sickness or disease, ptomaine or bacterial infection (except infections occurring through an accidental cut or wound); or
7. Intentionally taking a narcotic, drug, barbiturate, hallucinogenic drug, alcohol or any combination of these when not part of a professional medical treatment plan.

The Accidental Death and Dismemberment Benefit is not available to Insured Dependents.

4.3 SEAT BELT BENEFIT

The Accidental Death benefits provided under the Policy will be increased if, as a result of driving or riding in a private passenger automobile, the Insured dies as a result of an automobile accident.

The additional benefit payable will be the lesser of:

1. 100% of the Principal Sum shown in the Schedule of Benefits; or
2. \$10,000.

4.4 CONDITIONS

QualChoice Life must receive proof that:

1. The Insured was insured for Accidental Death and Dismemberment benefits under the Policy; and
2. According to the official vehicle accident report, the Insured was wearing a properly installed seat belt or lap and shoulder restraint, or any other National Highway Traffic Safety Administration approved restraint at the time of the accident.

4.5 EXCLUSION

This additional benefit will not be paid if:

1. The Insured was driving while impaired by alcohol or drugs; or
2. The driver of the automobile in which the Insured was riding was driving while impaired by alcohol or drugs.

4.6 DEFINITION

A "**private passenger automobile**" is a four-wheel private passenger car, station wagon, van, truck or jeep-type automobile. It is not:

1. A taxi, bus or any other vehicle being used for public conveyance;
2. Used in off-road activities; or
3. Used in testing racing or endurance contests, either amateur or professional.

4.7 PAYMENT OF BENEFITS

Upon receipt of due proof of loss, the Accidental Death and Dismemberment benefit will be paid to the Insured, if living; otherwise, to the beneficiary.

All Claim Provisions and Beneficiary and Settlement Provisions apply to this coverage.

[5. DEPENDENT LIFE INSURANCE BENEFIT

5.1 DEPENDENT DEFINED

An "**eligible dependent**" is any one of these family members:

1. The Insured's spouse, if not legally separated from the Insured;
2. Each unmarried child (including any stepchild, legally adopted child or foster child) of the Insured who is:
 - A. At least 14 days and under 19 years of age; and
 - B. Depends on the employee for the major part of his or her support.

However, the age limit is raised to under 23 years if the child is in school as a full-time student and financially dependent upon the Insured.

An eligible dependent will not include anyone who:

1. Is eligible for Employee Insurance; or
2. Is entitled to any extended coverage under the Policy by reason of having been an employee of the Policyholder.

If both husband and wife are Insureds, their children will be covered as dependents of the husband or wife, but not of both.

5.2 ELIGIBILITY REQUIREMENT FOR DEPENDENT INSURANCE

An Insured will be eligible for Dependent Insurance on the first day on which he or she:

1. First enters a class that provides Dependent Insurance; and
2. First gains a dependent. This will include gaining a dependent after a time without one.

5.3 REQUIREMENTS FOR DEPENDENT INSURANCE

1. An Insured must enroll for Dependent Insurance that is shown to be contributory in the Product Selection and Sold Rate Form for the coverage to become effective.
2. In the case of a special enrollment period which applies when one of the events listed below occurs, submission by the Insured to QualChoice Life through the Policyholder of a completed Enrollment Application allows a special enrollment of a dependent as long as it is sent to QualChoice Life within thirty (30) days of the occurrence of one of the following events:
 - A. Birth;
 - B. Adoption;
 - C. Marriage;
 - D. Addition of step-children; or
 - E. Permanent legal custody of a Child.
3. Deferral Rule - To effect new coverage on a dependent the following rule will apply:

The new coverage will be deferred for a dependent if he or she is confined in a medical care unit when it is due to take effect. In this case, the new coverage will take effect on the first day that the dependent is free from confinement.

For the purposes of this Deferral Rule, "**medical care unit**" means:

- A. A licensed general hospital; or
- B. A unit that treats one or more specific ailments; or
- C. Any type of convalescent or skilled nursing care facility.

This deferral rule does not apply to a newborn child upon reaching the minimum age if:

- A. On that date the child is hospital confined; and
- B. Has been continuously so confined since birth.

5.4 EFFECTIVE DATE OF DEPENDENT INSURANCE

An Insured's Dependent Insurance will take effect on the first day of the Policy Month that coincides with or next follows the date that:

1. The Eligibility Requirement is met; and
2. At least one dependent will become covered.

5.5 SCHEDULE OF DEPENDENT INSURANCE

The amount of coverage is shown in the Schedule of Benefits.

The insurance amount for an Insured's spouse or child may not exceed 50% of the Insured's amount of life insurance under the Policy.

5.6 WHEN A DEPENDENT BECOMES COVERED FOR CHANGES IN A BENEFIT AMOUNT

The effective date of increases in a benefit amount is subject to the Deferral Rule. The effective date of a benefit decrease is not subject to the Deferral Rule.

A dependent will be covered for a change in the amount of an in force benefit as follows:

1. Benefit Change Due to Change in Age. The change takes effect on the first day of the Policy Month that coincides with or next follows the date of the age change.
2. Benefit Change Due to Change in Employee's Benefit Amount. The change takes effect on the same day as the change in the Insured's personal coverage.

5.7 WHEN A DEPENDENT BECOMES COVERED FOR A NEWLY ACQUIRED BENEFIT

Subject to the Deferral Rule, a dependent will first be covered for a newly acquired benefit from the date that:

1. The person is an eligible dependent and eligible for the new benefit;
2. The Insured has enrolled for Dependent Insurance; and
3. The enrollment requirements of the Policy are met for that benefit.

5.8 TERMINATION OF DEPENDENT INSURANCE

Dependent Insurance of an Insured will terminate on the earliest of:

1. The first day of the Policy Month that coincides with or next follows the date of the Insured's death;
2. The date that the Insurance of an Insured terminates;
3. The date Dependent Insurance benefits are discontinued under the Policy;
4. The date the Insured's class changes to one that does not provide Dependent Insurance benefits;
5. The beginning of the period for which premium is not paid as to the Insured Dependent;
6. The Premium Due Date immediately prior to the Insured Dependent Child's 19th birthday (23rd birthday, if attending school on a full-time basis), marriage or entry into the armed forces; or
7. For contributory coverage only, the end of the last period for which a premium charge has been paid if the next premium charge is not paid when due.

5.9 LOSS OF DEPENDENT STATUS

Dependent Insurance will cease for a person on the date that he or she is no longer an eligible dependent.

5.10 DEATH BENEFIT

QualChoice Life will pay a death benefit as shown in items 1. or 2. upon receipt of proof of death. It will be paid to the Insured if living at the time of payment; otherwise, it will be paid to the Insured's estate.

1. **Death Benefit While the Dependent is Covered** - When a person who is covered as a dependent dies, QualChoice Life will pay a death benefit. This benefit will be the amount of Dependent Term Life Insurance in force on that person's life at time of death.
2. **Death Benefit During the Conversion Period** - A death benefit will be paid if a dependent dies:
 - A. Within 31 days after all or part of the Dependent Term Life Insurance for the dependent would otherwise have terminated; and
 - B. During the period the dependent would have been entitled to have a conversion policy issued under the terms of the Conversion Privilege.

The death benefit will be the amount of Dependent Term Life Insurance that could have been converted for the dependent.

5.11 CONVERSION PRIVILEGE

This conversion privilege is allowed for the Dependent Term Life Insurance that ceases as described in items 1. and 2. below. This privilege must be exercised by the Insured Dependent unless legally unable to make a valid contract. In that case, the application must be made by the Insured, if living, or otherwise by the legal guardian of the Insured Dependent.

1. The Insured Dependent may convert all or part of the amount of insurance that ceases due to:
 - A. Provisions of the Product Selection and Sold Rate Form; or
 - B. Loss of eligibility.

However, no conversion is allowed for life insurance which stops solely due to non-payment of contributions.

2. If the Insured Dependent has been insured under the Policy for at least 5 years, the lesser of the amounts shown in (i) or (ii) below may be converted if the Insured Dependent is no longer eligible due to:
 - A. Termination of the Policy;
 - B. Termination of the Policyholder's coverage under the Policy; or
 - C. Amendment of the Policy to terminate the Dependent Term Life Insurance under the Insured's Eligible Class.

The amount that may be converted if the Insured Dependent is no longer eligible due to one of the reasons listed above is the lesser of:

- (i) \$10,000; or
- (ii) All or part of the amount that ceases. This amount is reduced by any new dependent life insurance for which the Insured becomes eligible under any other group policy issued within 31 days of termination under the Policy.

5.12 TYPE OF CONVERSION POLICY AVAILABLE

A conversion policy will be one of the kinds of individual life insurance policies, other than term or universal life insurance, then being issued by the Company. The conversion policy will not include accidental death, disability or other supplementary benefits. It will be issued without evidence of insurability.

5.13 EFFECTING A CONVERSION PRIVILEGE

A conversion policy will take effect at the end of 31 days after insurance termination. To convert, the person requesting conversion must submit the following to the Company within that 31 day period:

1. Written application; and
2. The first premium payment.

5.14 CONVERSION POLICY PREMIUM RATE

The premiums for the conversion policy will be at:

1. QualChoice Life's usual rates for its type and amount;
2. The dependent's class of risk; and
3. The dependent's age last birthday as of its effective date.]

6. BENEFICIARY AND SETTLEMENT OPTIONS

6.1 BENEFICIARY DESIGNATION

The beneficiary or beneficiaries of an Insured shall be that person or persons indicated on the Insured's individual application for insurance. This application will be filed with the Policyholder. The beneficiary of an Insured Dependent, if the Policy provides Dependent Life Insurance, shall be the Insured.

6.2 CHANGE OF BENEFICIARY

Unless the Insured has made an irrevocable assignment of benefits, the beneficiary may be changed by sending a written request to the home office of QualChoice Life. When such request is received by QualChoice Life, the change of beneficiary shall take effect as of the date of execution of the written request, but without prejudice to QualChoice Life on account of any payment previously made by QualChoice Life.

6.3 CONSENT OF BENEFICIARY

If the Insured does initially name the spouse as beneficiary, QualChoice Life will require written consent of the spouse to name or change the beneficiary in community property states.

6.4 PREFERENTIAL BENEFICIARY

If the Insured has died and no beneficiary is living or named, QualChoice Life may, at its option, pay the benefits to the Insured's estate or to the surviving relatives of the Insured, specifically, the Insured's:

1. Spouse;
2. Child or children;
3. Parent(s);
4. Brothers and sisters; or
5. Executors or administrators.

QualChoice Life will not be liable to the extent of any payment so made, unless it receives written notice of a valid claim by some other person before payment is made.

6.5 MINOR BENEFICIARY

If the beneficiary is a minor or, in the opinion of QualChoice Life, is not able to give valid release for any payment due,

QualChoice Life may, at its option and until claim is made by the duly appointed guardian, pay the benefit to the person or entity who appears to have assumed the care and support of the beneficiary. [Benefits in this event will be made in monthly payments of not more than \$50 each.]

QualChoice Life will not be liable to the extent of any payment so made in good faith.

6.6 MORE THAN ONE BENEFICIARY

If the Insured has named more than one beneficiary, the applicable amount of insurance shall be paid to the beneficiaries who survive the Insured, in equal share, unless the Insured has specified a different proportion.

6.7 NO BENEFICIARY

If the beneficiary predeceases the Insured or if the Insured does not designate a beneficiary, then the applicable amount of life insurance will be paid to the estate of the Insured.

6.8 SETTLEMENT OPTIONS

An Insured may elect or change a settlement option by filing a written request with QualChoice Life. The settlement options available will be those offered by QualChoice Life when the option is chosen. If an Insured does not request a settlement option, the beneficiary may do so after the Insured's death.

6.9 ASSIGNMENT

1. The Insured may make an irrevocable assignment of interest under the Policy. The assignment:
 - A. Must be made in writing on a form approved by QualChoice Life;
 - B. Must be an absolute assignment that transfers all rights except those of an irrevocably named beneficiary; and
 - C. Must not be a collateral assignment.
2. Assignment of interest conveys all rights of ownership. These include the right to change the beneficiary, receive payment of claims and assign the insurance.
3. QualChoice Life is not responsible for the validity or results of the assignment.

[7. SHORT TERM DISABILITY BENEFIT (This is an optional benefit.)

7.1 WHAT CERTAIN TERMS MEAN FOR SHORT TERM DISABILITY BENEFITS

"Elimination Period" means the number of consecutive days an Insured must be Totally Disabled before benefits become payable under the Policy. The Elimination Period is shown in the Schedule of Benefits.

"Injury" means bodily injury caused by an accident when:

1. The accident occurs while the Policy is in force as to the Insured;
2. The accident and Injury are not caused or contributed to by illness or disease; and
3. The Injury results directly and independently of all other causes in Total Disability which commences within 60 days of the accident. If the Injury results in Total Disability which commences more than 60 days following the date of the accident, Total Disability shall be deemed to be the result of Sickness.

"Partial Disability" means the Insured:

1. Is able to do some but not all of the duties of his or her occupation; and
2. Is under the regular care and attendance of a licensed physician.

["Pre-existing Condition" means a condition:

1. Resulting from an Injury that occurred or a Sickness that began before the Insured's effective date of coverage under the Policy;
2. For which medical treatment or advice was received during the 6 month period immediately before the Insured's effective date of coverage under the Policy; and
3. That causes Total Disability while the Insured is insured under the Policy.]

"Sickness" means illness or disease which causes Total Disability that begins while the Insured is insured under the Policy.

"Total Disability" or "Totally Disabled" means any disability that:

1. Begins while the Policy is in force as to the Insured;
2. Results from Injury or Sickness;
3. Prevents the Insured from engaging in any occupation for which he or she is or becomes qualified by education, training, or experience; and
4. Requires the Insured to be under the regular care and attendance of a licensed physician.

7.2 TOTAL DISABILITY BENEFIT - INJURY

QualChoice Life will pay the benefits in the Schedule of Benefits, when an Injury causes the Insured to be Totally Disabled beyond the Elimination Period.

7.3 TOTAL DISABILITY BENEFIT - SICKNESS

QualChoice Life will pay the benefits in the Schedule of Benefits, when a Sickness causes the Insured to be Totally Disabled beyond the Elimination Period.

7.4 MAXIMUM BENEFIT PERIOD

The Maximum Benefit Period is shown in the Schedule of Benefits. Total and Partial Disability will be considered one period of Total Disability.

7.5 RECURRENT DISABILITY

While the Policy is in force as to the Insured, successive periods of Total Disability:

1. Resulting from the same or related Injury or Sickness; and
2. For which benefits had been paid under the Policy;

will be considered as one period of Total Disability under the Policy unless such periods of Total Disability are separated by at least 14 consecutive days, during which the Insured has returned to active, full-time work.

7.6 LIMITATIONS

The Policy will not pay benefits for any disability which:

1. Is not being continuously treated by a physician;
2. Is the result of Injury or Sickness that, in either case, arises out of work for wage or profit;
3. Is the result of an intentionally self-inflicted injury or a suicide attempt; and
4. Is due to alcoholism or drug dependency except while confined as a bed patient in a medical care facility.

7.7 PARTIAL DISABILITY BENEFIT

If the Insured returns to work on a part-time basis after a period of Total Disability, QualChoice Life will pay the Insured a Partial Disability Benefit. The Insured:

1. Must have received a Total Disability Benefit as provided by the Policy; and
2. Must be Partially Disabled as a result of the same Sickness or Injury that caused Total Disability.

7.8 TERMINATION OF TOTAL DISABILITY BENEFIT

QualChoice Life will stop paying a Total Disability Benefit on the earlier of the following dates:

1. The date the Insured ceases to be Totally Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached.

7.9 PARTIAL DISABILITY BENEFIT CALCULATION

To figure the amount of Partial Disability Benefit:

1. Determine the Total Disability Benefit as shown in the Schedule of Benefits;
2. Multiply the Insured's part-time weekly earnings by 50%; and
3. Subtract the amount determined in Step 2 above from the amount determined in Step 1.

The amount determined in Step 3 is the Partial Disability Benefit.

However, for a Partial Disability Benefit to be payable, the Insured's part-time weekly earnings may not exceed the

Total Disability Benefit as shown in the Schedule of Benefits.

7.10 TOTAL DISABILITY BENEFIT - PRE-EXISTING CONDITION LIMITATION

QualChoice Life will pay the benefits in the Schedule of Benefits for Pre-existing Conditions provided that Total Disability resulting from a Pre-existing Condition commences 12 months or more after the Insured's effective date of coverage under the Policy.

7.11 WAIVER OF PRE-EXISTING CONDITION LIMITATION

The "Pre-existing Condition Limitation" will not apply if the Insured:

1. Is actively at work on the effective date of the Policy; and
2. Was insured under the prior carrier's policy on its termination date.

7.12 TERMINATION OF TOTAL AND PARTIAL DISABILITY BENEFIT

QualChoice Life will stop paying a Total or Partial Disability Benefit on the earliest of the following dates:

1. The date the Insured ceases to be Totally or Partially Disabled as defined in these provisions; or
2. The date the Maximum Benefit Period has been reached; or
3. The date the Insured's part-time weekly earnings exceed the Insured's Total Disability Benefit as shown in the Schedule of Benefits.]

8. CHANGE OF CLASS OR EARNINGS

If a change in an Insured's class or earnings would increase the amount of the benefits entitled to be received under the Policy, such increase in benefits will become effective on the Premium Due Date following such change, provided:

1. Notice of the change is given to QualChoice Life within 30 days of the change; and
2. Such increase in benefits does not exceed the Guarantee Issue Amount, stated in the Product Selection and Sold Rate Form.

If notice is not given within the required time or the increase in benefits would exceed the Guaranteed Issue Amount, stated in the Product Selection and Sold Rate Form, such increase in benefits:

1. Must be approved by QualChoice Life; and
2. Will become effective on the Premium Due date following QualChoice Life's approval.

If the Insured is not at work full-time due to Injury or Sickness on the date an increase in benefits is due to begin, such increase in benefits will not begin until the Insured returns to full-time work.

If a change in an Insured's class or earnings would decrease the amount of benefits entitled to be received under the Policy, such decrease in benefits will become effective on the Premium Due Date following the change.

9. WHEN INDIVIDUAL INSURANCE BEGINS

To become insured, eligible employees must make written application to QualChoice Life. Coverage will begin on the Premium Due Date, shown in the Product Selection and Sold Rate Form for benefits, following the date QualChoice Life approves the application. QualChoice Life may require evidence of insurability before approving the application.

If an eligible employee is not at full-time work due to an Injury or Sickness on the date insurance is due to begin, it will not begin until return to full-time work.

10. WHEN INDIVIDUAL INSURANCE ENDS

The insurance will end, with respect to an Insured, on the earliest of the following:

1. When the Policy is cancelled;
2. When the insurance is cancelled for the class of insureds to which the Insured belongs;
3. The beginning of the period for which premium is not paid as to the Insured; or
4. The date the Insured is no longer actively working on a Full-time basis in any class or classes insured under the Policy unless (and only with respect to the Basic Term Life Insurance Benefit, if provided by the Policy) the Continuation of Basic Term Life Insurance During Total Disability applies.

11. CLAIM PROVISIONS

11.1 NOTICE OF CLAIM

Written notice of claim must be given within 30 days after a covered loss begins, or as soon as reasonably possible. The notice may be given to QualChoice Life at P. O. Box 25610, Little Rock, Arkansas 72221. Notice should include information which identifies the Insured or Insured Dependent and the Policy.

11.2 CLAIM FORMS

When QualChoice Life receives notice of claim, forms for filing proof of loss will be sent to the claimant. If these forms are not sent within 15 days, the claimant will meet the proof of loss requirements if, within 90 days after the loss began, he or she gives QualChoice Life written proof of the nature and extent of the loss.

11.3 PROOFS OF LOSS

Written proof of loss must be given to QualChoice Life within 90 days after the loss begins. QualChoice Life will not deny nor reduce any claim if it was not reasonably possible to give QualChoice Life such proof in the time required. In any event, proof must be given to QualChoice Life within 1 year after it is due, unless the claimant is legally incapable of doing so. QualChoice Life has the right to require proof of the continuance of total disability at any time during the first two years after receipt of initial proof of total disability, and thereafter, once a year.

11.4 PAYMENT OF CLAIMS

Benefits provided by the Policy will be paid to the beneficiary determined in accordance with Section 6 ("Beneficiary and Settlement Options") of this certificate.

11.5 TIME OF CLAIM PAYMENT

Short Term Disability Benefit claims (if the Policy provides a Short Term Disability Benefit) will be paid weekly as of the dates required. Claims for other benefits will be paid not more than 30 days after receipt by QualChoice Life of written proofs of loss. If we fail to pay benefits within this 30-day period, the Insured is entitled to interest at the rate of 6 percent per year from the 60th day after receipt of due proof to the date of late payment.

11.6 PHYSICAL EXAMINATIONS AND AUTOPSY

QualChoice Life at its own expense will have the right and opportunity to have the Insured examined as often as reasonably necessary while a claim is pending. QualChoice Life at its own expense may have an autopsy made (during the period of contestability), unless prohibited by law. If the Insured fails to submit proof of continuing Total Disability when required; or fails to be examined medically when required, no further benefit will be provided for that Total Disability.

11.7 LEGAL ACTIONS

No legal action may be brought to recover on the Policy before 60 days after written proof of loss has been furnished,

as required by the Policy. No such action may be brought after 6 years from the time written proof of loss is required to be furnished.

12. GENERAL PROVISIONS

12.1 MISSTATEMENT OF AGE

If an Insured's or Insured Dependent's age has been misstated, benefits payable for such Insured or Insured Dependent will be what the premium paid would have purchased at the correct age. This benefit will be subject to the applicable Policy maximums.

12.2 EMPLOYEE ELIGIBILITY

Active, Full-Time Employees of the Policyholder (Employer) who:

1. Are in a class of employees determined by conditions of employment, which is agreed upon as eligible by the Policyholder and QualChoice Life; and
2. Have been continuously employed during the minimum service period, as shown in the Product Selection and Sold Rate Form, immediately preceding their individual effective dates of insurance.

12.3 DUAL COVERAGE PRECLUDED

No person may be insured under the Policy as:

1. A dependent of more than one employee; or
2. Both an employee and a dependent.

12.4 ERISA

If this certificate is an integral part of an employee welfare benefit plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA), QualChoice Life is a claim fiduciary. As claim fiduciary, QualChoice Life shall have the discretionary authority to determine eligibility for benefits and to construe the terms of that part of the ERISA plan represented by this Contract. Any judicial review of a decision of QualChoice Life shall be conducted under the arbitrary and capricious standard of review with deference given to the claim fiduciary's decision.

12.5 SPENDTHRIFT CLAUSE

To the extent allowed by law, no benefit of the Policy is subject to the claim or legal process of a creditor of an Insured or a beneficiary.

12.6 RECORDS AND ESSENTIAL DATA

The Policyholder will keep a record of all Insureds. This record will contain all of the data that is specified by QualChoice Life.

12.7 ALLOCATION OF AUTHORITY

Except for those functions which the Policy specifically reserves to the Policyholder, QualChoice Life has full and exclusive authority to control and manage the Policy, to administer claims and to interpret the Policy and resolve all questions arising in the administration, interpretation and application of the Policy.

QualChoice Life's authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the group policy and any claim under it; and
3. The right to determine:
 - A. Eligibility for insurance;
 - B. Entitlement to benefits;
 - C. The amount of benefits payable; and
 - D. The sufficiency and the amount of information QualChoice Life may reasonably require to determine A, B, or C above.

Subject to the review procedures of the group policy, any decision QualChoice Life makes in the exercise of this authority is conclusive and binding.



Issued by QualChoice Life and Health Insurance Company, Inc.

Group Life and AD&D Insurance

SUMMARY OF BENEFITS

Important Note: This Summary of Benefits is not intended to be a complete description of the insurance coverage offered. Controlling provisions are provided in the Policy issued to your employer, and this Summary of Benefits does not modify that Policy or the insurance in any way. This Summary of Benefits is not a binding contract. A Policy that describes the benefits in greater details is available to you by either contacting your employer or by contacting QualChoice directly. (See contact information below.) There are certain exclusions set forth in the Policy that may exclude payment of benefits under certain circumstances. Should there be any differences between this Summary of Benefits and the Policy, the Policy will govern.

Policyholder: [Employer Sponsor Name]

Policy Number: [#]

Certificate Date: [Date]

Basic Term Life Benefit Employee

Amount [\$[Amount]

Alternate

[#]% of Annual Earnings Up To A Maximum of \$[#]

AD&D Principal Sum Employee

Amount \$[Amount]

Benefit Reduction for each of the amount of Basic Term Life and AD&D Principal Sum Employee

Benefits will reduce: [#]% of the original amount at age [#]

[#]% of the original amount at age [#]

[#]% of the original amount at age [#]

[Benefits terminate at retirement]

[Short Term Disability¹**Employee**

Amount

[\$ Per Week]]

[Dependent Life

Amount

[\$]]

**See Definitions Page
Below For Additional
Information About:**

"Accelerated Benefit"

"Accidental Death and Dismemberment"

"Conversion"

["Dependent Life"]

["Earnings"]

["Short Term Disability"]

Eligibility

An Active, Full-Time Employee who performs all of the duties of his or her job with the Policyholder and otherwise meets the eligibility requirements set out in the Policy is eligible for coverage. This job may be at either: (1) The Policyholder's normal place of employment; or (2) At some other place to which the regular business operations of the Policyholder require that person to go. An "Active, Full-Time Employee" does not include, however, temporary or seasonal employees. Nor does it include an officer or member of the board of the Policyholder who does not otherwise meet the definition of an "Active, Full-Time Employee".

"Full-time" means an employee must be: (1) Scheduled to work for the Policyholder at least [#] hours each week; and (2) On the regular payroll of the Policyholder for that work. "Active work" is work performed as an Active, Full-Time Employee. "Actively at work" means being engaged at active work.

Definitions**"Accelerated Benefit"**

When diagnosed as having a terminal condition (which is a medically determinable condition with no reasonable prospect of cure, which can be expected to result in death within 12 months), the Insured or his or her legal representative may request a lump-sum accelerated death benefit payable once during the lifetime of the Insured. The death benefit will be reduced by the amount withdrawn. In order to be eligible for this benefit, the Insured must have been continuously covered for at least one year under the Policy prior to sustaining a terminal condition, or covered under the Policy from the Certificate Date. Check with your tax advisor or attorney before exercising this option. The amount of benefit under the accelerated benefits provision is set out in the Policy.

[¹ Short term disability benefits begin on the [#st] day of disability due to accidental injury, the [#th] day of disability due to sickness, [or the [#st] day of disability if confined to a hospital] and are payable for a maximum of [#] weeks.]]

“Accidental Death
and Dismemberment
(AD&D)”

Accidental Death and Dismemberment (AD&D) insurance provides specified benefits for covered accidental bodily injury that directly causes dismemberment (e.g., the loss of a hand, foot, or eye). In the event that death occurs from a covered accident, both the life and the AD&D benefit would be payable. If the Insured dies as a result of a covered auto accident while wearing a seat belt, the benefit payable will be increased by the lesser of: (1) 100% of the Principal Sum; or (2) \$10,000.

“Conversion”

If an Insured is no longer eligible for part or all of the basic term life benefit provided by the Policy [or an enrolled dependent is no longer eligible for dependent life coverage], such Insured [or enrolled dependent, as applicable,] is entitled to apply to QualChoice for an individual policy of life insurance, without submitting evidence of insurability. The Insured [or enrolled dependent, as applicable,] must apply for conversion coverage and pay the first premium for such individual life policy within 31 days following termination or reduction of the basic term life benefit under the Policy. Such individual life policy will become effective on the first day following the end of such 31 day period. The amount of benefit under such individual life policy is set out in the Policy.

[“Dependent Life”

Coverage is provided to the Insured (or the Insured’s estate if the Insured is no longer alive) upon the death of a covered dependent. Coverage is provided for the time period that the covered dependent is eligible and premium is paid. The Insured must enroll the individual eligible to be a covered dependent. An individual is eligible to be a covered dependent if s/he is: (1) The Insured’s spouse, if not legally separated from the Insured, or (2) An unmarried child (including any stepchild, legally adopted child or foster child) of the Insured who is: (A) At least 14 days old and under 19 years of age; and (B) Depends on the employee for the major part of his or her support. The age limit is raised to under 23 years if the child is in school as a full-time student and financially dependent upon the Insured. The amount of benefit under the dependent life benefits provision is set out in the Policy. There is no cash value associated with this product.]

[“Earnings”

Means the Insured’s rate of earnings from the Policyholder in effect immediately prior to the date a claim begins. It does not include bonuses, overtime pay and other extra compensation other than commissions. Commissions will be averaged over the 12 month period prior to the date a claim begins.]

[“Short Term Disability”

Coverage is provided when an Injury or Sickness (both as defined in the Policy) causes the Insured to be Totally Disabled beyond the Elimination Period. The Elimination Period is the number of consecutive days as shown in the Policy the Insured must be Totally Disabled (as defined in the Policy) before benefits become payable. The amount of benefit under the short term disability benefits provision, set out in the Policy, is subject to a Maximum Benefit Period as reflected in the Policy.]

“Term Life”

Coverage is provided to the designated beneficiary upon the death of the Insured. Coverage is provided for the time period that the Insured is eligible and premium is paid. There is no cash value associated with this product.

QualChoice is committed to providing better customer support. That includes making it easy for you to contact us.
You are always welcome to call us with any questions or concerns.

QualChoice Life and Health Insurance Company, Inc.
The QualChoice Building
12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211

Website Address:
www.qualchoice.com

Our Customer Service Department can be reached:
Toll Free at (800) 235-7111
Locally at (501) 228-7111

If we fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201
(501)371-2640 or (800) 852-5494

SERFF Tracking Number: QUAC-127273808 State: Arkansas
Filing Company: QualChoice Life and Health Insurance Company, State Tracking Number: 49085
Inc.
Company Tracking Number:
TOI: L04G Group Life - Term Sub-TOI: L04G.500 Other
Product Name: QualChoice Life and Health Group Life Insurance
Project Name/Number: /

Supporting Document Schedules

		Item Status:	Status Date:
Bypassed - Item:	Flesch Certification		
Bypass Reason:	See Cover Letter attached.		
Comments:			
		Item Status:	Status Date:
Satisfied - Item:	Application		
Comments:	Previously approved Form Numbers 0810+MK+014_GRPAPPCVRG; 05+MK+018_RENEWALAGRMT; 0810+MK+017_PS&SRFR; 0810MK027LGGRPAPPL; 0810MK026SMGRPAPPL which were all approved October 1, 2010		
		Item Status:	Status Date:
Satisfied - Item:	Employee 7.1.2011 Replacement Page 1		
Comments:			
Attachment:	Employee 7.1.2011 Replacement Page 1.pdf		
		Item Status:	Status Date:
Satisfied - Item:	Employee 7.1.2011 Replacement Page 18		
Comments:			
Attachment:	Employee 7.1.2011 Replacement Page 18.pdf		
		Item Status:	Status

SERFF Tracking Number: QUAC-127273808 State: Arkansas
Filing Company: QualChoice Life and Health Insurance Company, State Tracking Number: 49085
Inc.
Company Tracking Number:
TOI: L04G Group Life - Term Sub-TOI: L04G.500 Other
Product Name: QualChoice Life and Health Group Life Insurance
Project Name/Number: /

Date:

Satisfied - Item: Group 7.1.2011 Replacement Page
19

Comments:

Attachment:

Group 7.1.2011 Replacement Page 19.pdf



QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY, INC.

12615 Chenal Parkway, Suite 300
Little Rock, Arkansas 72211
(501) 228-7111

**BASIC TERM LIFE / ACCIDENTAL DEATH AND DISMEMBERMENT
[and SHORT TERM DISABILITY POLICY]
RENEWAL AT OPTION OF QUALCHOICE LIFE
(NON-PARTICIPATING)**

QualChoice Life and Health Insurance Company, Inc. ("QualChoice Life") certifies that it has issued the group insurance policy shown below (referred to in this certificate as the "Policy") and, subject to the terms of that Policy you, the Insured, are eligible.

This certificate is merely evidence of your insurance under the Policy, and all matters pertaining to such insurance are subject to the terms and conditions of the Policy. This certificate replaces any certificate previously issued to the employee by QualChoice Life under the Policy.

Policy Number: [] [Certificate Number: []]

Policyholder: [ABC Company
125 N. Main Street
Any City, USA]

CERTIFICATE DATE: [] [INSURED EMPLOYEE: []]

SCHEDULE OF BENEFITS

BASIC TERM LIFE: [[\$] [DEPENDENT LIFE: [\$]]

Alternate]

[#]% of Annual Earnings Up To A Maximum of \$[#]]

AD&D PRINCIPAL SUM: [\$]

DEPENDENT INSURANCE:

CLASSIFICATION	AMOUNT OF INSURANCE
Spouse	[\$]
Children	
At least 14 days but less than 6 months of age	[\$]
At least 6 months of age but less than [xxxxx] years of age	
([xxxxxxxxx] years, if unmarried, full-time student)	[\$]
Unmarried, full-time student	[\$]

[SHORT TERM DISABILITY: [\$ Per Week]]

9. WHEN INDIVIDUAL INSURANCE BEGINS

To become insured, eligible employees must make written application to QualChoice Life. Coverage will begin on the Premium Due Date, shown in the Product Selection and Sold Rate Form for benefits, following the date QualChoice Life approves the application. QualChoice Life may require evidence of insurability before approving the application.

If an eligible employee is not at full-time work due to an Injury or Sickness on the date insurance is due to begin, it will not begin until return to full-time work.

10. WHEN INDIVIDUAL INSURANCE ENDS

The insurance will end, with respect to an Insured, on the earliest of the following:

1. When the Policy is cancelled;
2. When the insurance is cancelled for the class of insureds to which the Insured belongs;
3. The beginning of the period for which premium is not paid as to the Insured; or
4. The date the Insured is no longer actively working on a Full-time basis in any class or classes insured under the Policy unless (and only with respect to the Basic Term Life Insurance Benefit, if provided by the Policy) the Continuation of Basic Term Life Insurance During Total Disability applies.

11. CLAIM PROVISIONS

11.1 NOTICE OF CLAIM

Written notice of claim must be given within 30 days after a covered loss begins, or as soon as reasonably possible. The notice may be given to QualChoice Life at P. O. Box 25610, Little Rock, Arkansas 72221. Notice should include information which identifies the Insured or Insured Dependent and the Policy.

11.2 CLAIM FORMS

When QualChoice Life receives notice of claim, forms for filing proof of loss will be sent to the claimant. If these forms are not sent within 15 days, the claimant will meet the proof of loss requirements if, within 90 days after the loss began, he or she gives QualChoice Life written proof of the nature and extent of the loss.

11.3 PROOFS OF LOSS

Written proof of loss must be given to QualChoice Life within 90 days after the loss begins. QualChoice Life will not deny nor reduce any claim if it was not reasonably possible to give QualChoice Life such proof in the time required. In any event, proof must be given to QualChoice Life within 1 year after it is due, unless the claimant is legally incapable of doing so. QualChoice Life has the right to require proof of the continuance of total disability at any time during the first two years after receipt of initial proof of total disability, and thereafter, once a year.

11.4 PAYMENT OF CLAIMS

Benefits provided by the Policy will be paid to the beneficiary determined in accordance with Section [#] ("Beneficiary and Settlement Options") of this certificate.

11.5 TIME OF CLAIM PAYMENT

Short Term Disability Benefit claims (if the Policy provides a Short Term Disability Benefit) will be paid weekly as of the dates required. Claims for other benefits will be paid not more than 30 days after receipt by QualChoice Life of written proofs of loss. If we fail to pay benefits within this 30-day period, the Insured is entitled to interest at the rate of 6 percent per year from the 60th day after receipt of due proof to the date of late payment.

11.6 PHYSICAL EXAMINATIONS AND AUTOPSY

QualChoice Life at its own expense will have the right and opportunity to have the Insured examined as often as reasonably necessary while a claim is pending. QualChoice Life at its own expense may have an autopsy made (during the period of contestability), unless prohibited by law. If the Insured fails to submit proof of continuing Total Disability when required; or fails to be examined medically when required, no further benefit will be provided for that Total Disability.

11.7 LEGAL ACTIONS

No legal action may be brought to recover on the Policy before 60 days after written proof of loss has been furnished,

13. GENERAL POLICY PROVISIONS

13.1 ENTIRE CONTRACT

This Policy, with the Policyholder's Application, the individual applications, if any, and Amendments, if any, is the entire contract between the Policyholder and QualChoice Life. All statements made by the Policyholder or the persons insured will be deemed representations and not warranties. No change in this Policy will be valid until approved by a QualChoice Life officer. This approval must be endorsed on or attached to this Policy. No agent may change this Policy or waive any of its provisions.

13.2 INCONTESTABILITY

The validity of this Policy may not be contested, except for nonpayment of premium, after it has been in force for two years from its Effective Date. No statement made by an Insured may be used to reduce or deny a claim or to contest the validity of the insurance unless all of the following are true:

1. The insurance has been in effect for a period of two years or less;
2. The statement is in a written instrument signed by the Insured; and
3. A copy of the written instrument has been given to the Insured or the Insured's beneficiary.

13.3 POLICY REINSTATEMENT

In the event that this Policy is terminated because premiums were not paid within the grace period, QualChoice Life may reinstate this Policy at its sole option, and may charge an additional reinstatement fee if it wishes to do so. If QualChoice Life does not elect to reinstate this policy, it is not required to do so.

13.4 NOTICE OF CLAIM

Written notice of claim must be given within 30 days after a covered loss begins, or as soon as reasonably possible. The notice may be given to QualChoice Life at P. O. Box 25610, Little Rock, Arkansas 72221. Notice should include information which identifies the Insured or Insured Dependent and this Policy.

13.5 CLAIM FORMS

When QualChoice Life receives notice of claim, forms for filing proof of loss will be sent to the claimant. If these forms are not sent within 15 days, the claimant will meet the proof of loss requirements if, within 90 days after the loss began, QualChoice Life is given written proof of the nature and extent of the loss.

13.6 PROOFS OF LOSS

Written proof of loss must be given to QualChoice Life within 90 days after the loss begins. QualChoice Life will not deny nor reduce any claim if it was not reasonably possible to give QualChoice Life such proof in the time required. In any event, proof must be given to QualChoice Life within 1 year after it is due, unless the claimant is legally incapable of doing so. QualChoice Life has the right to require proof of the continuance of total disability at any time during the first two years after receipt of initial proof of total disability, and thereafter, once a year.

13.7 PAYMENT OF CLAIMS

Benefits provided by this Policy will be paid to the beneficiary determined in accordance with Section [#] of this Policy, entitled "**BENEFICIARY AND SETTLEMENT OPTIONS**".

13.8 TIME OF CLAIM PAYMENT

Short Term Disability Benefit claims (if this Policy provides a Short Term Disability Benefit) will be paid weekly as of the dates required. Claims for other benefits will be paid not more than 30 days after receipt by QualChoice Life of written proofs of loss. If we fail to pay benefits within this 30-day period, the Insured is entitled to interest at the rate of 6 percent per year from the 60th day after receipt of due proof to the date of late payment.

13.9 PHYSICAL EXAMINATIONS AND AUTOPSY

QualChoice Life at its own expense will have the right and opportunity to have the Insured examined as often as reasonably necessary while a claim is pending. QualChoice Life at its own expense may have an autopsy made (during the period of contestability), unless prohibited by law. If the Insured fails to submit proof of continuing Total Disability when required; or fails to be examined medically when required, no further benefit will be provided for that